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# Latin America Report

No. 2169

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21 July 1980

## LATIN AMERICA REPORT

No. 2169

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ARGENTINA-BOLIVIA-PERU PROJECTED RAILWAY SYSTEM ASSESSED

Buenos Aires CONVICCION in Spanish 5 Jun 80 p 10

[Article by Martin Olivera: "Rail Connection with Bolivia and Peru Guarantees Historical Geopolitical Axis"]

[Text] Beyond its internal political instability, Bolivia has a permanent problem and a permanent obsession: its enforced geographic confinement and its need to "find" the sea, which influence the geopolitics of the whole region.

These factors--unalterable for more than a century--have generated a dual conception of the problem in the foreign ministry in La Paz, both with regard to its temporary alleviation and its definitive solution.

Since the latter appears impossible for now, given Chile's intransigence about returning the territories that it occupied militarily 100 years ago--and which, according to Pinochet, never were Bolivian (?)--La Paz's strategy has turned toward temporary solutions.

It is here that the border countries--especially Argentina, Brazil and Peru--play a dominant role. On different levels, these countries are cooperating to break Bolivia's confinement, according to their own geopolitical concepts, which do not always coincide.

Path to the Sea Through a Historical Axis

A meeting was held this week in Salta between representatives of Argentina, Bolivia and Peru, for the purpose of integrating the railway systems of the three countries. This would allow Argentina to reach the Pacific via the Incan coasts, while Peru could reach the Atlantic on our coast and Bolivia would have direct access to the two oceans.

This possibility is of far-reaching significance to Argentina's geopolitics, for it reasserts the historical Lima-La Paz-Buenos Aires geopolitical axis, projecting the River Plate Basin toward the northwest, that is, toward the Andean Pact nations.

The strategic value of this projection is evident, moreover, on two levels: a) on a strategic level, because of existing differences with Chile, which does not belong to the Andean Pact and which maintains no relations of any kind with La Paz and not very good ones with Lima; b) on a trade level, for the same reasons.

Now then, this highway and rail connection has its historical background, basically with the Altiplano, in the railway line which will carry Argentina to the Amazonian city of Trinidad, upon completion of the Pocitos-Yacuiba connection.

This project also has a dual role: a) providing direct and cheap transportation to and from the Amazon; b) neutralizing Brazil's economic advance on that region and, consequently, curbing or controlling the geopolitics of Itamaraty in its search for a Brasilia-Chile axis, which would leave Argentina hanging on the map of the South American continent.

#### The Transverse Axis or the Geopolitics of Itamaraty

The same day that the presidents of Argentina and Bolivia were meeting in 1978 to discuss, as one of their main topics, the construction of the Santa Rosa-Trinidad stretch of railroad (see map), which would complete the Buenos Aires-Amazon circuit, at the same time, the La Paz government was requesting financing from Brasilia for the Estacion Florida-Aiquile section, which interconnects the railway networks of the Altiplano.

It is clear that this section would be useful to Brazil for other purposes: it would complete a series of connections that would join the Chilean ports of Antofagasta and Arica, without interruption, by rail with the Brazilian port of Santos.

At that time, it was believed that the object of the Bolivian maneuver was to obtain the full support of Itamaraty for its maritime demands, for if Bolivia did not get its port on the Pacific, La Paz would not permit the passage of Brazilian convoys to Chile and vice versa. That is, Brazil would pay for a connection that later would not be at all useful to it if the Altiplano did not obtain the coastline that it deserves.

But no one was game to put much money on this Bolivian move, for it was assumed that sooner or later Itamaraty would find a solution to reach Chile without hurting the sovereign demands of La Paz. In any case, the matter was neither so simple nor so clear.

Now that Argentina, Bolivia and Peru's rail connection has become a reality--a connection that was promoted by the Andean Pact--Brazil could choose to find its outlet to the Pacific through a Peruvian port, accepting the Lima-Buenos Aires axis as a fact.

In short, Brazil would obtain a trade outlet to the Pacific without political disturbances, avoiding the creation, at least temporarily, of the Brasilia-Santiago transverse axis.

Thus the country that would be left hanging on the map would not be Argentina, but Chile, which would mean a valuable triumph for La Paz's maritime demands.

Bolivia, as a country with important transit routes, is getting closer to the sea. And who would not find this advantageous?



Bolivian railroads will become the geopolitical link between Argentina and Peru and an outlet to the Pacific for Brazil.

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CSO: 3010



## INTER-AMERICAN AFFAIRS

### ARGENTINA, URUGUAY PLAN FREE TRADE ZONE

Buenos Aires LA NACION in Spanish 10 Jun 80 p 14

[Text] Foreign Trade Undersecretary Juan Dumas yesterday convened a press conference to report that a Uruguayan delegation is currently in this country "to continue talks toward laying the groundwork for establishing a free trade zone between the two countries."

This is an official confirmation in Argentina that talks have begun with Uruguayan authorities to advance bilaterally toward economic integration. The first news of the matter was learned last week in Montevideo.

Dumas immediately emphasized that "this is the main and only topic of the talks that are currently taking place in Buenos Aires."

The purpose of the negotiations is to "lay the groundwork for a profound economic integration," he said, "as a means of broadening our markets."

He explained that this would benefit the economy on a considerable scale in both countries, and would improve the allocation of productive factors and achieve a more favorable framework for foreign investments by offering them an expanded market.

#### Without Tariffs

The project would make it possible for the greatest possible number of products to be negotiated between the two countries without tariffs. Also, the elimination of non-tariff restrictions will be analyzed.

In addition, the harmonization of export incentives will be sought so they would be similar in the two countries, as well as health regulations, in the case of foreign sales of agricultural products and livestock.

Authorities will also work to establish similar criteria in matters relating to requirements of origin and freight shipments.

## Product List

Dumas said that after the higher courts of both countries approve the plan, authorities would begin to work with a list of products in order to continue to expand the initial foundations in the future.

He stressed that if an agreement is reached with Uruguay, its contents would not automatically extend to other countries and, in reply to a question, added that talks had not yet begun with other countries on reaching similar agreements. However, Argentina's proposal to LAFTA is known, he said, so it would be clear that "it is our desire to achieve the greatest possible number of agreements of this kind."

## LAFTA

Replying to questions about the coming meeting, which should be held in Acapulco, Mexico, in which LAFTA's future will be analyzed, Dumas noted that he hopes significant progress will be achieved for the agency as a result of those talks.

"Everything points," he said, "toward LAFTA's following a policy of greater flexibility in its mechanisms."

In his opinion, he explained, LAFTA would have been successful in the past if all of its member countries had displayed a uniform conviction about the desirability of economic integration. "This was not so then and it is not now, thus the need to achieve greater flexibility," he said.

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REPORT OF OIL FIND IN MISIONES PROVINCE

Brazil-Paraguay Venture

Buenos Aires LA NACION in Spanish 18 Jun 80 p 24

[Text] Posadas--A report from Brazil, causing real commotion in this province, notes that work is being stepped up in the neighboring country in search of petroleum, in the area along the border with Misiones.

Looking at geological map prepared by the Brazilian government enterprise PETROBRAS [Brazilian Petroleum Corporation], we can see that drilling was started in the zone of Acre, near Peru and Bolivia, in the Amazonas region, and that it is now underway in the states of Mato Grosso, Parana, Santa Catalina, and Rio Grande do Sul, the latter bordering on the territory of Misiones. Twelve marine platforms are also being operated in the broad littoral from south to north.

The report adds that \$30 million were invested in the drilling operations, for the first stage, and that this investment will be increased. In this connection, engineer Peter Landesberg, President of Shell Brazil, said that the Brazilians, during the next decade, will be able to produce up to 10,000,000,000 barrels per year, by working these new deposits near Argentina, deposits of a sedimentary-Paleozoic type, similar to those in Libya, which have been called "highly interesting."

Newspapers in Misiones reported prospecting going on the Paraguayan Department of Itaipu, located opposite Misiones, with the Parana River inbetween. The work involves the use of helicopters and geotechnical probes.

Thus, both in Brazil and in Paraguay, areas where prospecting is going on (to be followed by drilling), aimed at the discovery of coveted petroleum, constitute a kind of "geographic ring" surrounding this entire province.

The most eloquent indicator of the effort that is being made here by the Brazilians in discovering their own petroleum reserves probably is a map published in the latest issue of the magazine MANCHETE, which is published in Rio de Janeiro and which clearly shows the region selected and where there is petroleum, in other words, precisely along the border with Misiones.

## Good Prospects

Buenos Aires LA NACION in Spanish 19 Jun 80 p 18

[Text] Posadas--The Director of Mining and Geology of this province, Dr Juan Ruben Olmo, absolutely did not rule out the possibility that there might be petroleum in the subsoil of Misiones, "whose geological formation," he noted, "is identical to the one in the neighboring territory of Paraguay and Brazil where hydrocarbon processing activities are being stepped up."

Dr Juan Olmo made his statements in response to concern in the area over news from Brazil, reporting drilling operations in search of petroleum in the states of Parana, Santa Catalina, and Rio Grande do Sul, all three of which border on Misiones.

In this connection, Olmo recalled that the Brazilians have been doing this for quite some time in the vicinity of the border with Argentina and that they drill down to a depth of 5,500 meters in search of this mineral.

"It seems," he said, "that these investigations have produced positive results and this is why they are certainly ready to award risk contracts. It is difficult to imagine that foreign companies would risk billions of dollars in expensive operations if they did not have some indication of success."

He then pointed out certain characteristics of the territory of Misiones, "including basaltic strata with a thickness of 1,200 meters; only slightly compressed soil lacking anticlinal folds. Nevertheless, traps [pools] of crude petroleum and gas can be formed by faults, dikes, and other igneous intrusions."

He also reported that prospecting was conducting some time ago in the town of Yapeyu in Corrientes, by Government Petroleum Deposits, near the Uruguay River, likewise near Brazil, although the results are not known.

Finally, Dr Olmo said: "Systematic and serious studies can take the problem out of the area of conjecture although, as far as we now and by virtue of the effort which the Brazilians are making, almost along our border, one cannot absolutely rule out that the subsoil of Misiones might possibly contain petroleum deposits."

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CSO: 3010

## INTER-AMERICAN AFFAIRS

### BRAZIL/ANDEAN NATIONS PERMANENT COMMITTEE ESTABLISHED

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 19 Jun 80 p 6

[Text] Brasilia--The Permanent Joint Committee formed between Brazil and the Andean group of nations was officially installed yesterday. It was created by a memorandum of understanding signed in January of this year during Foreign Affairs Minister Saraiva Guerreiro's visit to the group's headquarters in Lima, Peru.

The official installation took place at a luncheon the Brazilian foreign affairs minister held yesterday in Itamaraty [Foreign Affairs Ministry] Palace for ambassadors of the Andean countries accredited in Brasilia. The Permanent Joint Committee is one of the agencies in the system for exchanging information, advice and coordination between Brazil and the Andean group intended to foster increased Brazil/Andean dialog in all activities.

The Brazilian section of the committee will be headed by the Itamaraty secretary general, Ambassador Baena Soares, and made up of officials from the departments of the Americas and American Regional Bodies and from the Special Secretariat for Political and Economic Affairs of the international bilateral area of the ministry. Other agencies of Itamaraty and even of other government sectors may later participate on the committee, if necessary.

One of the tasks of the Permanent Joint Committee will be to help prepare for the meeting to be held in Brasilia with the foreign ministers of the Andean Council during the second half of the year, at the invitation of Foreign Affairs Minister Saraiva Guerreiro.

Among the purposes outlined by the memorandum of understanding signed in Lima are: to promote development of relations between Brazil and the Andean Group; to encourage cooperative efforts in physical infrastructure for transport and communications, diversification of economic and trade relations and cooperation in cultural, scientific and technological matters; and to support the understanding and agreement of Latin America with developing nations through mutually beneficial horizontal cooperation.

OBJECTIVES IN FOREIGN MINISTER'S VISIT TO CHILE DEFINED

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 22 Jun 80 p 11

[Article by Carlos Conde: "Chile, New Itamaraty Objective"]

[Text] Brasilia--The 3-day visit that Foreign Affairs Minister Saraiva Guerreiro will make to Chile starting next Thursday responds to two fundamental objectives: to help that country feel less isolated and to strengthen the close political and economic ties that already unite the two nations.

Due to its very geographical position, Chile has historically felt isolated. Hemmed in between the mountain range and the sea, it has throughout its history developed a whole network of international relations intended to reduce this isolation. Its geographic isolation has been amplified throughout much of the time by recognition of the fact that Chile has on the south a potentially stronger neighbor (Argentina) and to the north two others (Peru and Bolivia) that for many years have felt bitter about being defeated in the War of the Pacific. Pressed by such circumstances, a natural alternative would be an alliance with Brazil. This idea has always been well received. The Baron of Rio Branco used to say that Brazil has only two reliable partners in the Americas: the United States and Chile.

Times have changed and perhaps if the baron were alive today he would not repeat such a statement. What has not changed is Brazil's desire to remain a good ally of Chile. Brazil views such an alliance as a balancing factor in the region, but it always remains tacitly understood that it should not encourage Santiago in an adventure of any sort. The good relationship has remained essentially unaltered, except for brief periods, such as when socialist Salvador Allende was president. The Brazilian military regime then drew back. But Brazil's dialog with Chile was fully reestablished when a military coup replaced Allende with Gen Augusto Pinochet.

Minister Saraiva Guerreiro's trip at this time and the visit of President Figueiredo in October play an important role from the viewpoint of Chile's isolation. The controversy over the Beagle Islands would leave Chile with a strong feeling of abandonment by Brazil if the Figueiredo government did not now practice a kind of balancing policy between Argentina and Chile. The agreement in regard to Itaipu and Corpus, the recent visit by Figueiredo



to Buenos Aires and the impending visit by President Videla in August would suggest to Brazil a counterbalancing gesture toward Santiago. The Figueiredo government has expressed an inclination to do so, despite the still fragile liberalization policy it is pursuing. The president justified it by saying: "In any event there will be criticism, whether I go or not. So I'll go." Minister Guerreiro, in somewhat more diplomatic phrasing, has also cited the importance of not leaving Chile in the limbo of diplomatic isolation.

#### The Pope

The visit is also symbolic at this time because of the Pope's impending trip to Brazil. The Vatican is the mediator in the Beagle dispute and Brazil has adopted a neutral stance. At a certain point, he expressed privately, with appropriate words, the concern that the climate of conflict caused him and only allowed it to be made public, through an official note, at the eleventh hour, when the situation between Argentina and Chile reached a point that the military generally call pre-war.

Guerreiro's trip touches upon Chile's isolation in a wider sense: the international rejection. In recent years Chile escaped from economic isolation by applying an orthodox line that had international appeal but that exacted a high domestic social cost. Politically, however, Chile remains isolated and harassed by the two superpowers. The Soviet Union never did become adjusted to losing an ally such as Allende and the United States has not been able to forget that former Foreign Minister Orlando Letelier was assassinated right in the middle of Washington by a supposedly invisible force but which the U.S. investigations have determined to be DINA [National Intelligence Department], the Chilean secret police.

Despite great efforts, the Chilean regime has not yet achieved closer understandings. Among more recent episodes are the Philippine refusal to receive General Pinochet and the U.S. veto of its participation in the Unitas-21 naval operation.

#### Bilateral

In the strictly bilateral field, Minister Guerreiro's visit will, in more general terms, lead to preparation of a diplomatic package that President Figueiredo can conclude in October when he goes to Santiago. The figures referring to bilateral relations are encouraging. Trade reached \$750 million last year and may go to \$1 billion this year. And Chile's receptivity to foreign trade facilitated purchase of Brazilian manufactures, especially heavy machinery and home appliances. Meanwhile, purchase of automobiles, buses and trucks reached \$200 million in 1979. Chile, in turn, supplies about 65 percent of Brazil's copper: 120,000 tons of a total of 180,000.

Guerreiro's visit will be concluded by a joint communique that will stress, among other things, a special reference to increasing trade. The Brazilian foreign affairs minister will hold a number of talks with his Chilean counterpart, Rene Rojas Galdames, and will be received by President Augusto Pinochet.



## INTER-AMERICAN AFFAIRS

### ANTIGUA PLEDGED AID BY CARIBBEAN GROUP

FL071415 Bridgetown ADVOCATE-NEWS in English 3 Jul 80 p 3

[Excerpt] St Johns, Antigua, 2 Jul (CANA)--More than EC\$WA [as received] million (U.S. \$7.7 million) was pledged in development aid to Antigua during last week's meeting in Washington of the Caribbean Group for Economic Cooperation, Deputy Premier Lester Bird said yesterday. He told a press conference that the money will go towards funding of agricultural projects, including the construction of small dams for irrigation and the cultivation of a large acreage of corn, a handicraft centre, the processing of limestone into chemical lime, airport related projects including a runway overlay, new navigation equipment, fire and rescue appliances and a parallel taxiway.

He said that the Caribbean Development Bank (CDB) will disburse \$2.7 million (U.S. \$1 million) of United States assistance for housing.

According to Mr Bird, the projects are largely in the productive sectors of the economy and are designed to create more employment to assist Antigua in becoming more self-reliant.

Mr Bird said that Antigua had approved recommendations for the establishment of a regional task force to examine the role to be played by the private sector in development. He said he regarded the success of the private sector as important to overall economic development, and "every effort will be made to expand and improve the private sector contribution."

With regard to the impact of the adverse world economic situation on the Antiguan economy, Mr Bird said "current inflation has occasioned higher costs on everything imported into Antigua."

CSO: 3020

## BRIEFS

URUGUAYAN CATTLE TO ARGENTINA--Montevideo (AFP and ANSA).-- Last Monday Argentina purchased 500 tons of beef quarters from Uruguay at a cost of \$1,500 a ton, according to well-informed sources in this capital. On the other hand, a report about Argentine interest in purchasing 300,000 head of beef cattle and an unspecified number of sheep could not be confirmed. A National Meat Institute (INAC) report about the sale of live cattle noted that the Republic of Uruguay has a regulation that prohibits such exports. However, it was also indicated that it is known that there is a large surplus of cattle in this country, deriving from a crisis in the markets. For this reason, authorities do not rule out the possibility that the government will review the regulation, especially in the case of a country that traditionally cooperates with Uruguay in different areas. Regarding the sale of the 300,000 head, it was stressed that the quantity is approximately equal to Uruguay's surplus beef cattle stock, and for Argentina's part, it would allow that country to meet the shortage caused by losses of animals in the recent floods. On the same subject, the president of the Rural Association of Uruguay noted that the government has rejected a request from producers to sell animals, so he said he felt it "would not be feasible for the government to authorize that exportation of live animals." Other production sources, as well as the Ministry of Agriculture, said that they had no official knowledge of the negotiations. [Text] [Buenos Aires CLARIN in Spanish 11 Jun 80 p 10] 8631

SALTO GRANDE TURBINE--Concordia, Entre Rios (NA)--Argentina's Secretary of State for Energy Daniel Brunella and Uruguay's Minister of Energy and Industry Francisco Tourrailes yesterday started a new turbine at the Salto Grande Dam which both countries are building along the banks of the Uruguay River, 18 kilometers north of here. The new turbogenerator is the fourth to be operated in the hydroelectric complex which is planned to have a total of 14 turbines; its start-up will raise the dam's current power output to 540 Megawatts, somewhat more than the nuclear plant at Atucha generates. The ceremony presided over by Brunella and Tourrailes took place in the machinery room of the complex, on the Uruguayan bank, and after the national anthems of the two countries had been played, the officials pushed the device starting the new turbine. This turbogenerator was given the name of Maria Cristina in honor of the daughter of the Uruguayan Rutilo de Pauna, a member of the Salto Grande Binational Technical Commission. It is estimated that the dam--the first to be built jointly by Argentina and Uruguay--will be fully operational by the end of 1981 when the 14 turbines will be running and it will have an installed capacity of 1,890 Megawatts. [Text] [Buenos Aires LA PRENSA in Spanish 18 Jun 80 p 14] 5058

URUGUAY AND ARGENTINE AGREEMENT--The Uruguayan Justice Under-secretary has arrived in Buenos Aires on special invitation by his Argentine counterpart. During his stay in Buenos Aires, the Uruguayan under secretary will sign an agreement of exchange of information on criminal records of Argentine and Uruguayan citizens. [Buenos Aires Domestic Service in Spanish 1030 GMT 3 Jul 80]

NEW SALTO GRANDE TURBINE--Concordina, 17 Jun (NA)--A new turbine went into operation today at the Salto Grande hydroelectric plant. This plant will thus generate 540 mw, slightly more than the Atucha nuclear plant. [Buenos Aires NOTICIAS ARGENTINAS in Spanish 2123 GMT 17 Jun 80]

CSO: 3010

# WHEAT PRODUCTION ESTIMATES 4.7 PERCENT LOWER THAN 1979-80 YIELD

Buenos Aires CLARIN in Spanish 1 Jun 80 p 12

[Text] In the latest wheat-growing season the area sown reached only 4.8 million hectares, a figure which represents a drop of 4.7 percent compared to the season immediately preceding it. But in turn that season showed a yield 30 percent lower than the record harvest of 1976-77.

The trend in the sowing of wheat in the past few years, a good indicator of the condition of Argentine agriculture, has been downward.

Following the record area sown in the 1976-77 season--which reached more than 7 million hectares of cultivated land--the latter evidenced in the seasons that followed a level fluctuating around 5 million hectares, which indicated a very sharp drop of around 30 percent.

On top of that, if the recently completed season is analyzed--that of 1979-80--one observes that the harvest was 4.7 percent below that immediately preceding it and was similar to the average witnessed in the first three agricultural seasons of the decade of the 1970's--4.8 million hectares--it not being possible to explain these low levels by a parallel expansion of other crops or by a shift of land to livestock-raising given that both activities evidenced in those years the same downward trend regarding the use of land.

## Next Season

In July 1979 the president of the National Grain Board, David Lacroze, forecast an 8 percent increase in the sowing of wheat in the season that was getting under way at that time--that of 1979-80--which finally saw the indicated drop of 4.7 percent with respect to the earlier season. The downslide evidences that between the official projection and what actually occurred there was a negative lag of more than 800,000 hectares.

In the present season--to be completed in the coming months--the undersecretary of Argentina's department of agrarian economy, engineer Enrique Gobbee, has also projected "a turnaround in the cultivation of wheat and cereals in general."

However, there are various indications that make one think that the sowing of wheat in the season beginning at this time will continue at the low level of 5 million hectares--approximately that registered in the earlier seasons--or even that it could drop more.

Even though the present prices of wheat to the producer have improved slightly compared to the prices witnessed in 1978 and 1979--because of the Soviet demand in the Argentine market stemming from the grain boycott--these prices continue to show depressed levels compared to the good years.

Up to the end of 1979, it may now be observed, the evolution of the purchasing price of agricultural and livestock earnings by the wheat producers has not been favorable considering that in 1979, for example, 379.56 tons of wheat were necessary to purchase a mechanical harvester as against 212.15 tons that were necessary in the 1974-75 season or 238.90 tons necessary in the 1975-76 season.

With respect to fuels, in 1974-75 1.19 tons of wheat were necessary to buy 1,000 liters of gas-oil, 0.86 ton was needed in the 1975-76 season, and an average of 1.71 tons in the recently completed year.

#### International Prices

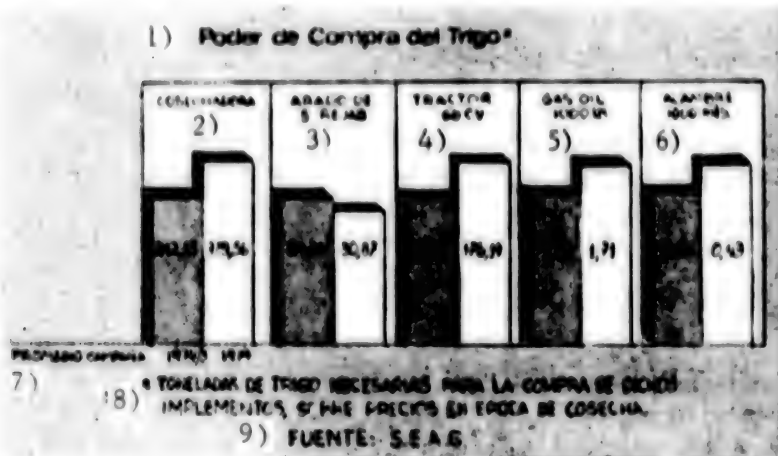
Even though there are outlays whose prices have more or less been maintained such as urea, wire, or some agricultural equipment, in general the tendency has been in the direction of a gradual downslide in the purchasing power of the wheat producers. The fact was mitigated by the setting of the indexed price in the early months of 1979, a value which meant a backward step as regards government policy and, at least in the case of this cereal, it braked the drop which characterized the real prices of nearly all grains and which was a direct consequence of Argentina's foreign exchange policy.

For the rest the improvements seen in prices in the last 3 or 4 months will not have proved to be a significant help for the earnings of producers who marketed a good part of their 1979-80 wheat crop during December 1979 and part of January 1980, before their prices were increased.

It should be noted in this connection that the revenues from the export of Argentine wheat--made in Argentine pesos on the basis of the National Bank rate--rose by 34.9 percent from the close of 1979 (prior to the boycott) to mid-April 1980 while the revenues of producers in this same period rose by only 18.4 percent--less than the cost of living index--which indicates that the improvement which took place in international prices fob [free on board] Buenos Aires has not benefited the farmers beyond the extent of 50 percent. And an aggravating fact is that it is possible that in the next few months said international prices may drop and or fall in line with the other world cereal markets.

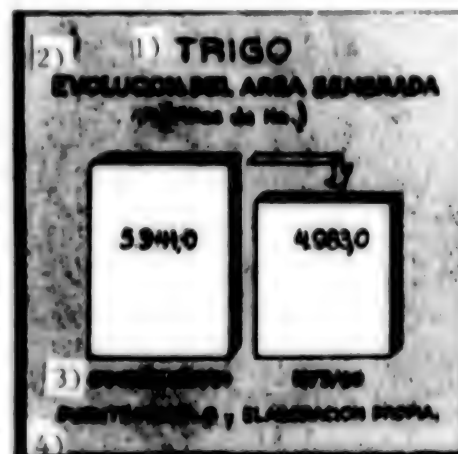
In this context of real depressed prices, to which should be added the other irritating factors which now prevail--high taxes and expensive credits--it is appropriate to hope that the sowing of wheat will occur exclusively in those fields where their producers know that they generate high yield per hectare.

Area sown with wheat in the latest season proved to be less than during the 1950-54 period, basically because of the loss of profitability in the grain's market price.



Key:

1. Purchasing power of wheat
2. Price of mechanical harvester
3. Price of five-unit plow
4. Price of 68-horsepower tractor
5. Price of 1,000 liters of gas-oil
6. Price of 1,000 meters of wire
7. Averages in the 1974-75 and 1979-80 seasons
8. Tons of wheat necessary for the purchase of said materials divided by prices at the time of harvest
9. Source: SEAG [Undersecretariat of Agrarian Economy]



Key:

1. Wheat
2. Evolution of area sown (in thousands of hectares)
3. 1950-54 and 1979-80 seasons
4. Source: SEAG and CLARIN's own data

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## EVOLUTION OF FOREIGN DEBT DETAILED

Buenos Aires LA PRENSA in Spanish 8 Jun 80 sec 3 p 1

[Text] In the abundant information which the economic authorities have been handing out recently regarding the evolution witnessed by the major variables and accounts which in the aggregate make up the country's economy there is one, related to the foreign sector, which has caused some surprise and is perhaps the one in which the major fears regarding its evolution in the near future is perceived.

The fact that on 31 December 1979 the foreign debt reached \$19.034 billion (a figure not mentioned by any official) while the reserves stood at a level close to \$10.48 billion caused some concern given that such debt level is considered very much higher than the most pessimistic estimates.

To that fact one would have to add that for this year a sizable deficit is foreseen in the net balance of trade which, following surplus balances (1976, \$333.1 million; 1977, \$1,490.3 million; 1978, \$2,565.8 million; and 1979 \$1,446 million), will again show a deficit, something which has not occurred since 1975 when the deficit was \$985.2 million.

## Debt Determination

Regarding the stated figure of \$19,034 million of foreign debt, it is necessary to clarify some aspects. In many cases that figure was used to make comparisons with other countries, which is not correct given that their method used for the determination of foreign debt is different.

Basically, the difference resides in the fact that while in Argentina the foreign debt figure includes all kinds of debts which the country owes to others, other states include in their foreign debt only that pertaining to capital and not that which relates to short-term imports such as raw materials for the growth of industry and other items since they consider that these expenditures are constant and continue with slight variations over time.

Accordingly, in line with this latter method it is estimated that Argentina's foreign debt is approximately \$16.5 billion, which is indeed comparable with the debt of other countries using the same accounting system.



## Reasons for Growth

One of the questions which have been raised most often lately respecting the debt we have mentioned is what caused its increase.

The most far-reaching explanation on this topic is the one which holds that through the incentive which the economic authorities have provided through the exchange rate and the high level of interest rates in the domestic market, the private sector especially as well as the state enterprises have been motivated to seek financing abroad where they secure same on better terms, both as regards interest rates and as regards the maturities of the loans, than in the domestic market.

In this manner, while the debt in the public sector increased by 51.0 percent from 1978 to 1979, rising from a total of \$6,596 million to \$9,960 million, the debt in the private sector witnessed an increase of 116.0 percent, rising from \$4,201 million in 1978 to \$9,074 million at the end of last year.

As regards the private sector, it is additionally necessary to take into account the fact that a sizable portion of that debt is caused by the growing purchase of capital goods abroad, which is also favored by Argentina's customs duty of 0 percent for these products.

In turn state enterprises, with certain restrictions, have had to turn to the foreign financial market in order to renegotiate their debts and obtain better maturities, a situation which in the last analysis also triggered an increase in the external debt of the public sector. As an example we shall cite only the case of the Water and Electric Energy Enterprise which at present has an external debt for current financing--not for investments--of around \$550 million.

## Inaccurate Data

Also to be noted is the fact that during 1979 there were inaccurate data concerning the real situation of Argentina's foreign debt given that, while the latter was estimated at around \$10 billion, in reality it was approximately \$12.5 billion.

This difference in data could be determined because at the close of 1978 a detailed inventory and analysis was made of all debts which both Argentina's private sector and the public sector owed to other countries.

Gathering this information, stemming from a complicated study because of the various characteristics of each one of the debts, occupied most of 1979 in order to reach an exact and definitive idea of the real situation pertaining to that item.

## Reserves

Another item of extreme interest regarding the situation of the foreign sector is that related to the level of the reserves held by Argentina.

Also in this case a significant evolution has been noted in the last few years given that while early in 1976 Argentina's reserves stood at \$582 million of which only \$23 million were liquid assets, at the close of that year they reached \$1,812.3 million, at the end of 1977 they totaled \$4,039 million, in 1978 they stood at \$6,038 million until, by the close of 1979, the reserves reached a total of \$10,480 million.

On the basis of data relating to March 1980 liquid asset reserves available to Argentina reached an amount varying between from \$9.75 billion and \$9.8 billion.

In this item the increases noted during 1979 followed, besides the surplus balance in the balance of trade, the allocation of Special Drawing Rights by the International Monetary Fund and adjustments in estimates produced by the revaluation of holdings in other currencies in terms of dollars.

### Where Are the Reserves?

Another of the unknowns that have been disclosed recently is that related to the fate of the country's reserves at present.

In this respect the authorities have indicated that reasons of a strategic and economic nature hinder the disclosure of the intended use of the country's reserves. Incidentally, this data is not published by any other country of the world either.

On this subject it was noted that the secrecy relating to the makeup of the reserves is an inevitable measure, especially in case of difficulties for the country whether in a situation of belligerency or restrictions or embargoes for political reasons or whether in connection with human rights. In this connection one should remember what happened months ago with the embargoes placed on Iran's reserves because of the American hostages.

Furthermore, it is also secret for economic reasons since, as occurs in every business, the terms of deposits (interest rates, maturities are determined for each case in particular so as not to cause irritations with other client countries.

Nevertheless, various references indicate that in general Argentine reserves are deposited in some 200 banking and financial institutions across the entire world at extremely variable interest rates and maturities since they depend on the guarantee which each of these entities provides.

As for the makeup of the reserves it is known that they are approximately of the same proportions as the foreign debt, that is, that if the composition of the debt is 50 percent in dollars then the reserves also include 50 percent in that currency.

Another fact of interest is that over the last few years the importance of gold has dropped in the makeup of Argentina's reserves and in this respect, by way of example, it was stated that if Argentina had held all its reserves in gold from 1935 to date, its present level of reserves would be substantially lower than what it actually is (it would be equivalent to about \$3 billion) in addition to the fact that its value would be subject to the fluctuations of an exceedingly speculative international market.

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## FLOATING SILOS TO ALLEVIATE GRAIN TRANSPORT

Buenos Aires LA PRENSA in Spanish 8 Jun 80 sec 3 p 3

[Text] The construction of floating elevators with barge silos has been encouraged by the SEIM [Secretariat of Maritime Interests] with contracts being signed for approximately \$10 million to build in Argentina the necessary barges for the purpose sought which is the transshipment of cereals directly from the barges to the holds of vessels in foreign traffic.

The function of the floating grain elevator is essentially that of "guzzling" the grain by means of one of its arms which contains a filter that removes the grain's impurities and where subsequently it is weighed by an electronic scale of great precision and after that, through another arm, is "blown" as it stabilizes itself automatically into the ship's hold.

Each floating silo is made up of a German-built Hartmann elevator system mounted on a barge, has a transshipment capacity from barge to ship of 500 tons an hour, a horizontal reach of 16 meters in the sucking tube and 22 meters in unloading, the contraption being as high as 26 meters.

### Pneumatic System

The entire transfer of the cereal is effected through a pneumatic system. Each of the floating elevators can store 1,200 tons and, jointly with their structures, silo barges are being assembled for cereal storage to bridge over, with their inventory, the dead-season intervals in the transfer operation.

Furthermore, the floating elevator can move along the side of vessels while the flexibility in operation of the piping provides extraordinary maneuverability which yields time economy.

The equipment of each floating elevator consists of two rotating piston intake units coupled to diesel engines. The necessary energy is provided by two 12-cylinder diesel generating units having the capacity to drive the intake and all the auxiliary motors and services required by the system.

The introduction of this system of cereal storage will result in significant improvements compared to the present operations of the vessels engaged this activity in the ports of the coast. Starting now vessels will be able to complete their loading economically in ports of the littoral or in that of Buenos Aires, with control over the purity and weight of bulk grain.

As was noted the capacity of transshipment is 500 tons an hour for each elevator, which yields a total of 1,000 tons an hour. Discounting theoretical dead periods, this makes it possible to load about 20,000 tons of grain a day.

The economic significance of the floating silos will be greater than that of existing systems and will serve to relieve the port of Buenos Aires which, in turn, will lead to lower cost in the final price of Argentine grain thereby making it competitive on the international market.



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FINANCE OFFICIALS CONTINUE TO STUDY BANK MERGER

Buenos Aires LA NACION in Spanish 11 Jun 80 p 14

[Text] For approximately 2 years high level financial management circles have been studying the possibility of uniting in one single institution the National Bank, the National Development Bank, the National Mortgage Bank and the National Savings and Insurance Bank, which would thus form the only state bank, aside from those institutions belonging to the provinces or to the municipalities.

The authorities' aim would be, first of all, to rely on one large bank to perform the same duties the present banks are carrying out. It is considered unnecessary for the state to have four. In short, with fewer personnel, and consequently with lower operating cost, the institution would have, for example, one large section designed to handle all matters related to industrial development projects, another for mortgage transactions, and another for personal loans, without neglecting all the commercial and promotional duties now carried out by the National Bank.

This idea--which, as we have indicated, is not new--must have taken shape recently, and is one of the projects to be worked out in the Central Bank. In any case, even though the current philosophy of the monetary authorities is to promote the consolidation of organizations, the realization of this ambitious plan remains entirely in the study phase.

Although in the beginning--when the plan became public 2 months ago--Ministry of Public Finance officials denied the report, unofficial sources confirmed its existence yesterday, and advanced the idea, furthermore, that the Bank of Mendoza and the Social Security Bank of that province will merge with each other. Regarding the project under study, the same sources affirmed that the matter would be dealt with before the end of the year and that it can count on the Central Bank's support since the project points toward the consolidation of the state bank.

CSO: 3010

## ARGENTINA

### CHRISTIAN DEMOCRATS VIE FOR INTERNATIONAL RECOGNITION

Buenos Aires CONVICCION in Spanish 11 Jun 80 p 10

[Article by Pascual Albanese]

[Text] Leaving aside Peronism, for obvious reasons, an analysis of the statements by the parties that are clearly in the opposition ought to begin with the recent ones made by Oscar Alende's Intransigent Party (PI) and by the leaders of the PPC [Popular Christian Party], Enrique De Vedia and Nestor Vicente.

This is not mere coincidence. The PI and the PPC are the obvious representatives of the two major European political organizations that are in friendly competition for the leadership of the democratization process that is developing in Latin America. Alende's fellow party members are on the threshold of the Socialist International, and De Vedia's are in the UMDC [World Christian Democratic Union]. On the continental level, the Social Democrats are represented by the Coordinating Board of Latin American People's Party, which is headquartered in Mexico, and the Christian Democrats by the ODCA [Christian Democratic Organization of the Americas]. Both of these organizations usually have very harsh judgments to voice on the Argentine situation.

In the specific case of the Christian Democrats, however, things are far from calm: the longstanding party splits are deepening instead of moderating. Added to the split between the PPC and the PRC [Christian Revolutionary Party] are conflicts within the two parties themselves, the characteristics of which would seem to point to new factions.

Both the PPC and the PRC have their "hardliners" and "moderates." Among the former, the "intransigents" are led by De Vedia, while those advocating a dialog are headed by Jose Antonio Allende and Salvador Bussaca. The reverse is the case among the moderates: the calls for caution come from leaders Martin Dip and Francisco Cerro, among others, while the clearly "antimilitary" stands are taken by an opposition faction with a stronghold in the districts of the Federal Capital and the province of Buenos Aires.



To complete this veritable jigsaw puzzle, we are also seeing cross-overs. In the Buenos Aires district, for example, De Vedia's followers and the PRC's "hardliners" have agreed to revive the initials of the Christian Democratic Party, a rather hazy ambition today if we bear in mind that the Christian Democratic Federation, which was originally conceived as a preliminary step to the merger of the two organizations, has been relegated to limbo because it has been impossible to establish a solid common ground that all can adhere to.

In this context, the Christian Democratic Union (UCD), led by Gerardo Ancarola, is logically trying to bring back the policy of open opposition to Peronism that marked the founding of Argentine Christian Democracy. This stand was abandoned once and for all in 1963 when Horacio Sueldo promoted a tactical opening to Peronism that with its ulterior motives has been pursued until now.

In any case, the efforts by Ancarola and his friends are outside the current Christian Democratic structures and have not garnered a hint of solidarity from their European fellow party members, the lavish financial backers of their Latin American epigones. The UCD, an acronym that smacks of Spain, is leaning today towards a tripartite alliance with the Progressive Democrats and the Democratic Socialists within the framework of the much-talked-about creation of an "opinion movement" similar to the kind advocated by qualified official spokesmen.

This has not prevented Allende's adversaries from claiming that he has had contact with Ancarola. Despite this, those who boast of their familiarity with the Cordoba leader's thinking contend that his natural proclivity towards a dialog with the government and the possibility that he will be invited to put forward his views at the Casa Rosada cannot be associated with the proposal to put together a political undertaking to the government's liking.

Both the Allende people and the two factions of the PRC have decided "to hold back until things clear up," a stance that has enabled De Vedia to take the initiative with enterprising impulsivity and with the accent on the establishment of a multiparty "civilian pole," which the PRC leader is proposing when he refers to "the desire for an alliance among major political factions within a wideranging national movement."

Their hardline position vis-a-vis the government and their willingness to talk with the other political forces, especially Peronism, accord De Vedia and his friends an appreciable advantage in the silent battle for international recognition. The UMDC and the ODCA are imbued with a "democratist" spirit that causes them to look more favorably on calls for struggle than appeals for caution.

Moreover, European Christian Democracy, which with its support of one or the other faction could tip the scale in its favor, realizes that if Argentine Christian Democrats do not toughen their approach, Social Democracy, its friendly enemy, could fill the vacuum and score a decisive victory in the battle that the two are waging on the Latin American scene.

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## ARGENTINA

### DE VEDIA SPEAKS ON POLITICAL DIALOG, ELECTIONS

Buenos Aires CONVICCION in Spanish 11 Jun 80 pp 10-11

[Interview with the president of the Popular Christian Party (PPC), Dr Enrique De Vedia; date and place not given]

[Text] In this interview Dr Enrique De Vedia, the president of the PPC, expresses his views on the process, the political dialog and the need for elections in 1982. The following is the complete text of the interview:

[Question] For what reasons did the PPC call for general elections in 1982?

[Answer] We have called for an institutionalization process that will permit general elections in 1982. This, which in different times would have seemed normal in Argentina and which would be normal today in any country with institutions, has prompted surprise among a number of sectors. We feel that it is feasible to place the country on the path of a democratic process. The obvious desire for peace of most of the Argentine people and their deep-seated rejection of violence allow us to anticipate an attitude of compromise towards points of agreement. The fact that almost four million young people have not had the opportunity to vote could promote a dangerous disinterest towards the exercise of civic responsibilities. If to all this we add an economic policy that is destroying the nation's machinery of production, with its already tangible repercussions of unemployment, calling for elections is a civic duty, not an irresponsible action.

### The Pressure Cooker

[Question] The deadline for elections that you are demanding is so close that the candidates will probably be the same leaders as in 1976...

[Answer] The state has instruments such as the Organic Law of the Political Parties or the Electoral Law to encourage and promote the

overhauling of party groups. It is absurd to freeze the parties and then to complain that they have the same leaders when you take the lid off the pressure cooker that they are now being kept in.

[Question] On several occasions the authorities of the current process have rejected the validity of the criticisms voiced by people who had ties with the last constitutional government because they regarded them as in some way responsible, by action or omission, for the situation that prevailed in 1976. What is your opinion?

[Answer] These kinds of charges are just part of the truth, not all of it. In 1976, the people who were in a position to have influence on the government and even on Congress, lacked the resolve to take measures to correct the course of a government that was rushing headlong towards the abyss. But all sectors bear responsibility.

[Question] But wasn't this, in fact, the situation that prevailed?

[Answer] There was, no doubt, a power vacuum, but it is a mistake to reject the validity of any call for institutionalization by arguing that nothing was done to save the country. Many of us stated publicly (and this can be seen in the newspapers at the time) that urgent solutions had to be devised to come to grips with the country's serious crisis. As president of the PPC, I visited the heads of both houses to ask them for their contribution under the circumstances.

[Question] Now that several years have passed, how do you currently view the period prior to March 1976?

[Answer] The 1973 elections were a stampede stemming from longstanding pressures, rather than a pronouncement by the citizenry. Thus we entered 1973 amid a process of radicalization, high-level tension and rage. This explains why that process turned out to be so difficult. Therefore, the responsibilities are and must be shared by all of the sectors that were involved in how things unfolded, be they civilians or military. I am not trying in any way to offend anyone, because I am not given to attitudes like that. I judge actions, not intentions. Neither the Armed Forces, nor the political parties, nor business, nor the universities constitute the country. The Argentine nation is much more than that; it is a synthesis of all its components.

[Question] What is the PPC's stand regarding the rest of the political groups? Does it advocate a policy of alliances?

[Answer] We believe in the need to rebuild the National Movement, which is an alliance not only of parties but also of the segments of society that back a national concept of Argentina. Labor, business, production, cultural sectors, even the church, from a spiritual standpoint, without compromising it politically. We want to reconstruct the

National Movement and we are working to that end, by guaranteeing the future existence of governments with a broad base of representivity and power. But in any case, there is still a desire for an alliance of major political sectors within a wideranging national movement. Meanwhile, we are living in a time when we have to assert our own identities. We are aiming at a convergence of well-defined personalities, not of a conglomerate of amorphous entities. We are the expression of Social Christian thought in the country and we are trying to convey the emerging conception of the Christian gospel and of the church's social doctrine. We have a well-defined personality in the sense of a clear-cut ideology, and based on our identity we are prepared to form whatever alliances are necessary.

#### The Internal Problems of the Christian Democrats

[Question] Are the differences with the faction headed by Dr Allende affecting party unity?

[Answer] Because of the nature of the internal differences, we can say publicly that they exist. All of the expressions of a country's life go through these kinds of situations, and hence I do not think that they should surprise anyone. There are shades of difference in the method of interpreting or developing certain strategies, but I can also state that a great determination prevails to overcome these differences and to assert our unity, which we all recognize is needed for our overall effectiveness. Like all other parties, Christian Democracy has been unable to avoid internal problems. But it is going to reconstruct and it is reconstructing its unity. Appearances might not indicate this clearly, but that is the case. The two parties that have represented Christian Democracy since it split up in 1966 are the PPC and the Christian Revolutionary Party. The two have come together on the national level in the Christian Democratic Federation. Provincially, in some districts such as Buenos Aires, we are on the verge of setting up a Christian Democratic Party. When these things matter in the country, we will register before the law. There is no organized expression of Social Christian thought outside of these two parties.

[Question] The Christian Democratic Union isn't?

[Answer] That's a rubber stamp.

#### A Security and Development Council

[Question] Should the Armed Forces take part in political decision-making in a future constitutional government?

[Answer] The military is one of the emerging factors. There has been talk during this process that the Armed Forces ought to be somehow involved in the organization of the state. The constitution already provides for this in the whereas clauses relating to the ministries. It seems logical and reasonable that in the world in which we live, besieged by geopolitical pressures and worldwide manifestations of violence, the Armed Forces should play a role in terms of national security.

Since development is, in turn, linked to security and since the Armed Forces promote development through military industries, it would be proper to legally establish a Security and Development Council chaired by the head of the Executive Branch and consisting of the presidents of the two houses of Congress and the commanders-in-chief of the three branches of the Armed Forces.

[Question] What is your assessment of the political dialog?

[Answer] As an abstract concept and as a possibility, the dialog deserves our support because it is the expression of a humane, civic society. But as the government is implementing it, we cannot see that the requirements for making it fruitful are being met. I do not think that we can take it too seriously when university rectors are called in to give their opinions to the officials of the process or when the Interior Ministry lends an ear to backward, hackneyed ideas such as a conditional right to vote or the creation of councils of "eminent figures," as if we were in ancient Greece.

We have to explicitly open discussion on the way to get the institutionalization process started. The only way to legitimize a government is by the vote of the people.

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## ARGENTINA

### SCHONFELD QUESTIONS MASSERA'S STRATEGY

Buenos Aires LA PRENSA in Spanish 18 Jun 80 p 9

[Article by Manfred Schonfeld]

[Excerpts] What Is Massera After?

This leads us to the moral crisis that Admiral Massera pointed up. When read without preconceptions and with total innocence regarding Argentina's mediate and immediate past, his document is of the sort that, broadly speaking, any decent person could agree with.

But first of all, Emilio Massera owes the citizenry an explanation. The citizens are entitled to know what he is after, what forces back him, what his ideological stand is in itself, what his basic views are (or, as the case may be, what his advisers' views are) regarding economic, social and labor issues, just to mention the most urgent problem's that Argentine is still facing even though 4 years have passed since the Armed Forces, with Admiral Massera as an extremely prominent figure, took charge of reorganizing a country in turmoil.

In those days Massera was one of the helmsmen of the incipient process. In those days he could not help but approve of what he is now criticizing, because government policy has not changed one iota since 1976, especially in economics but in other fields as well. If he agreed between 1976 and 1978, why doesn't he now? And if didn't agree, why didn't he say so then? Or, what would have been even simpler, why didn't he turn his back on an approach to the process that did not warrant his approval? Martinez de Hoz's "gradualism," his sooner or later disastrous "gradualism," was, after all, not implemented just when Admiral Lambruschini joined the Military Junta.

### Running After Alliances

Furthermore, although we could concede that a public figure who was somewhat inexperienced as such until then might have needed a certain amount of time to clear up his personal view of things, what

we are not clear on now is the image that Admiral Massera wants to present to his fellow citizens. Is he seeking an alliance with Peronism, as Frondizi once did? Or is he seeking a common denominator with it, as Balbin once did? Was his statement designed to head off a renewal of the spurious "pact" that Peron, Frigerio and Frondizi drew up years ago in one of the most ill-fated of moments for Argentine civic ethics? And if Massera is attempting this, what is the reason? He has the urgent duty to clear this up.

In contrast to the leaders of more or less traditional parties, regarding whose morality, immorality or amorality (depending on whom we are talking about) we at least know what to expect, for the time being Admiral Massera is what is called in racing jargon "a dark horse." As long as he does not elucidate this enigma, it makes no sense at all to refer to a "moral crisis."

Insufficiently clear designs, vague stands, the search for undecided votes, tacit alliances and pacts, all of this is precisely part of the deep-seated moral crisis that the country has been suffering from since 1955, a sequel to the one that it experienced as of 1943. We must put an end to it once and for all before it puts an end to the country.

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## ARGENTINA

### PERONISTS PROPOSE POLITICAL PARTIES DRAFT EMERGENCY PLAN

Buenos Aires LA PRENSA in Spanish 21 Jun 80 p 12

[Text] A group of 70 political and labor leaders of the Peronist Movement has urged the government to call together the various parties to draft "an emergency plan."

The appeal was made public in a statement in which the signers ask how the objectives of the National Reorganization Process can be attained "with immobilized political parties, with human rights violations, with secret punitive acts."

They urged the government to call on "national political forces to draw up an emergency plan," asserting that if it does issue that call, "it will see how constructive ideas can arise."

The pronouncement is signed by 70 Peronist political and union leaders, headed by the vice president in charge of council leadership, Deolindo Felipe Bittel; Secretary General Lazaro Roca; Congress President Eloy Camus; the movement's attorney, Torcuato Fino; Italo Luder, Angel Federico Robledo, Ricardo Guardo, Roberto Ares, Vicente Leonides Saadi and Carlos Menem.

The labor leaders include Ricardo Perez, Jose Luis Castillo, Roberto Dighon, Osvaldo Borda, Abel Cuchetti, Carlos Alonso, Roberto Garcia, Jose Rodriguez, Eleuterio Cardozo and Juan Jose Taccone.

#### Position Defined

The statement spells out the Peronist Movement's position on the country's political, economic and institutional situation and cites two non-party pronouncements that it agrees with: the document issued by Arturo Frondizi last 10 April on the economic crisis and "the message of the Radical Civic Union (UCR), whose aspirations we share today as yesterday, in 1971."

The document contends that if "an attempt were being made to exclude Peronism or to ignore its existence, its political and social reality, it would mean deliberately thwarting the goal of establishing the groundwork for a solution for all, in other words, a national solution."

#### Inexplicable

The Peronists say that "due to its extreme arbitrariness, the accusation that we are accomplices to, instruments of or co-perpetrators of subversive violence" is inexplicable, inasmuch as "Peronism was the first target that subversion aimed at."

The Peronists feel that "if the basic objectives of the National Reorganization Process are to reestablish the republic's institutions, then we will without delay have to go about achieving them, because there is a total contradiction between those republican and democratic goals and the continuation of the corrective regime in the form of a military triumvirate or quattrumvirate."

#### Objective

After noting that the "ultimate objective of the Reorganization Process is to establish an authentic republican and pluralist democracy," it says that "we cannot understand how this goal can be achieved with immobilized political parties, with human rights violations, with secret punitive acts, with proscriptive or confiscatory measures outside due legal process and with a university law that prohibits administrators and faculty from joining political parties."

#### Foreign Policy

It also questions the nation's foreign policy, asserting with regard to relations with Brazil and President Figueredo's visit, that "if a series of apparently harmless agreements are carried out, they will quickly make us Brazil's smaller farmer partner."

#### The Economy

With regard to our economic situation, the pronouncement says that "output is at a standstill at 1974 levels; we still have a three-digit annual inflation rate, with a fresh surge expected soon, and speculation has triggered an unprecedented banking scandal," while "our balance of payments deficit in 1979 totaled \$192.7 million."

It later indicates that "this economic turmoil is closely tied to the abnormalities weighing us down in the political sphere."

#### **Demands**

After calling for the release of arrested political and labor leaders, first of all Isabel Martinez, the pronouncement says that "Peronism does not harbor the slightest obstructionist desires, nor does it seek (mark well our words) to exclude itself from political decision-making. On the contrary, its decided ambition is to reach decisions, without petty factions or cliques." (NA)

#### **Union Sector**

The Peronist Union Movement (MSP) has expressed in a declaration its support for the document signed by Peronist political and labor leaders.

The document "reflects a desire for internal unity, which is indispensable for the ultimate success of Peronist ideals," the MSP statement says.

The MSP is made up of the so-called verticalist and orthodox leaders of the "Commission of the 25," among others, Roberto Garcia (taxicab drivers), Roberto Digon (tobacco workers), Raul Ravitti (railway workers) and Ricardo Perez (teamsters). (NA)

8743

CSO: 3010

## ARGENTINA

### POLITICAL, OFFICIAL FORCES CHARACTERIZED AS SKEPTICAL

Buenos Aires LA NACION in Spanish 22 Jun 80 pp 8, 18

[Excerpts] Society and the State

1945 and 1880

At times, Argentine politics gives the impression of being dominated by a single, albeit important, reference point regarding its more or less immediate future developments. That reference point is the last war and people's determination to leave it behind once and for all. But what else?

There are intellectuals, politicians and members of religious orders who have spoken of the existence of a secret Argentina. An official survey that has attracted the attention of the authorities indicates that there is a disturbing percentage of citizens who could serve as fodder for any cannon, or for any risky adventure or adventurer. Is this situation that much different from the mid-1940's? To a certain extent it is, in the degree of misgivings that this generation of the military has towards the classic figure of the strong man or the patron.

Vigorous lines of thought are not to be seen today in any sphere of Argentine politics. The times are characterized not by the strength of the opposition or of the government. They are characterized by a dangerous accumulation of indifference and skepticism, as documented in studies that are in the government's possession. Thus, administration spokesmen are playing with fire when they boldly state, for example, that it is not true that the country has experienced a serious financial crisis.

Ministerial circles are well aware that it was a miracle that the Armed Forces did not demand a scapegoat for the crisis in April or May. The miracle was the certainty that Martinez de Hoz's unswerving loyalty to his colleagues could have resulted in an even more serious affair if he had been forced to make heads roll. But if the government denies the obvious, if it attempts to ignore the unfortunate financial



developments that will be remembered for a long time simply because they shook the economic foundations of one of the country's naturally most prosperous regions, then how can it expect citizens to readily believe anything else?

Fortunately, the worst material aspects of the financial crisis have passed. Their upshot, however, is a feeling of mistrust. Argentine society has a bitter taste in its mouth. It sensed that nothing good would come out of reckless financial speculation, which overnight turned allegedly illustrious citizens who were praised from all sides into men who are now in prison or at large. But the society lacked the ability or the strength to forewarn the state with a sufficiently precautionary or recriminating shout. This too must be ascribed to its indifference, not merely imputed to the state, which eventually, albeit belatedly, took action.

#### Complexes

There are also complexes in this society. One of them can be seen every day. Argentina's leaders (businessmen, politicians, union men) know that Lieutenant General Viola is the army's natural candidate to succeed the current president. Thus, it is not seriously questioned whether his name will be submitted to the Military Junta in September; instead, the questions concern the magnitude of the obstacles that his candidacy will have to face in a context wider than the army. Nevertheless, it is very unusual to hear people talking out loud about such matters.

People line up, but on the sly, to interview the retired military commander, whether in an office on Uruguay Street, or in another on Florida Street, or in yet another on Alvear Avenue. They try to find out his views and learn of various public affairs. If possible, and this is the ultimate, they try to wheedle out of him what he thinks of such and such economist. In short, he is regarded as a sure thing as far as the army is concerned, because otherwise the logic of the branch's internal policy over the last few years would be incomprehensible. People are acting, however, as if all this had to be kept from public opinion. The complex, briefly, is that any reference to the presidential succession might be construed as interfering with the decision that the Military Junta will have to make in just a few months.

Underlying this is the desire of civilians to avoid commitments to the military's domestic policy. Thus, to the reserve of civilians we can add the reserve of the military officers themselves, who for professional reasons are the standard-bearers of a kind of secrecy until the Military Junta hands down its ruling in September or October.

Such reluctance to speak out on the presidential issue (which will be settled by the military but which will have an impact on the nation as a whole for several years) makes unavailable to the public a political reference point that could give indications as to the nation's political future. To make matters worse, the governor of Cordoba was unlucky enough to see a meaning that he did not expect attached to one of his off-hand, unofficial statements regarding how many military presidents will succeed Videla. This added yet another uncertain note to these presidential issues. It is worthwhile stressing the point.

1984

As if Cordoba were predestined as the place for the risky statement that there would be two more military presidents, Governor Sigwald was quoted as saying (in the terms in which Gen Suarez Mason had said so last year in the province) that there would be two more military terms of office after Videla. No one doubts that this assumption has been cherished from the very beginning as an ideal by strong military factions, but likewise no one is unaware that this is not the most appropriate time to confirm it publicly. Today, the military, like civilians, perceive that the year 1984, a cabalistic year in world literature, could constitute, for better or worse, a dividing line between two stages of domestic politics. The first stage is one of total military hegemony; the second can be guessed at only by a person capable of predicting how effectively the military government will operate henceforth.

The Military Junta was wise on one point: Why commit ourselves to announcing that there will be more than one military term after the one drawing to an end if we are not in a position to know what the domestic balance of power will be beyond 1984? In plain language, that was the implicit meaning of the statements by the commander-in-chief of the army subsequent to the Cordoba governor's.

From what we have now learned, General Sigwald spoke without any prior consultation with the Third Army Corps (Cordoba is in its jurisdiction), and furthermore, what he wanted to say was that whether there will be one or two more military terms depends on how quickly the objectives of the process are achieved or not achieved.

#### Document Strikes Responsive Chord

Amid this overall situation, the opposition has hammered away at the government, mainly at the person of Lieutenant General Videla, but without reaping immediate benefits, as far as we can tell. In the face of these attacks, the tendency of the military is to close ranks with the government, aside from the fact that it is aware of the problems that it is having. As a guideline we should recall that the

army's support for the economy minister and his team became more manifest as soon as Admiral Massera's harassments of that government sphere began leaking out some years ago.

As far as political parties are concerned, the fact that Massera's document, in spite of its tone, will probably not win him new allies for his assault should be taken as a hallmark of the current political scene. We have already pointed out as part of that scene how the civilians are doing some fancy footwork to sidestep the risks of appearing involved in the upcoming military debate on the makeup of the government that will take power in March 1981.

In Massera's case, although his words were in keeping with what Peronism was preparing to assert, they were not taken into account by that movement. In their document this week the Peronists preferred to hearken back to former President Onganía (from their angle, of course) and express their agreement with him on what presidential power should mean, rather than to side with anything that the former navy commander said.

With this subtle distinction between Onganía and Massera, or between the past and the present, the Peronists hinted that they too were unwilling to get mixed up in names or issues that are essentially the concern of military policy at present.

Politicians in general have carefully assessed the repercussions of Massera's words on the military, and according to them the bottom line is negative.

Massera has appealed to the commanders-in-chief to think things over and order a change of course for the government. The commander-in-chief of the army has responded by saying that he supported, supports and will continue to support the government's current efforts. Late this week, a political spokesman for the air force was explicit, behind closed doors, regarding the distance between air force leaders and Admiral Massera's position.

On the other hand, the navy, whose existing standards for the public and political conduct of its retired officers are more flexible than the other two military branches', merely let it be known that it respects Admiral Massera's right to voice his opinions, just like the other citizens and sectors that have issued statements in recent weeks. President Videla said something similar, although not necessarily in the same spirit, the day before yesterday.

## The Peronists

This week's Peronist document, which featured the novelty of including signatories as disparate as Angel F. Robledo and Italo Luder, on the one hand, and Deolindo Bittel and Vicente L. Saadi, on the other, is deceptive as far as the movement's internal unity is concerned. Deep down, the movement's only possible unity is one prompted by the common desire to find fault with government policy.

Hence, by itself it said nothing, especially during a week in which the most explosive voice was that of a former member of the Military Junta, and furthermore because of what an upcoming development could indicate: on Thursday the 26th, Ricardo Balestra from the Liberal Party and Jose Romero Peris from the Autonomist Party, both of them from Corrientes, will probably visit the Casa Rosada to talk with the interior minister. If he listens carefully to what the two of them have to say, particularly Balestra, he will pick up certain critical reservations regarding the government's performance, even though they are members of the Popular Federalist Forces or perhaps because they are. What we are saying, to make things clearer, is that they will take a stand regarding the unqualified support that another leader of their group, Dr Celestino Gelsi, from the Federal Vanguard Party of Tucuman, voiced not long ago as he emerged from his meeting with the interior minister.

## The MID (Integration and Development Movement) and the Radicals

In addition to paraphrasing a speech by General Ongania, last Wednesday's Peronist document also concurred with the latest statements by both Dr Arturo Frondizi, one of the heads of the MID, and the main leaders of the Radical Civic Union.

Thus, the significance of the preliminary pact 10 days ago between the MID and several Peronist leaders has become somewhat relative, just as soon as the opinions of additional Peronist Party members had to be heard. The mere mention of solidarity with what the radical movement said recently shows the enormity of the internal problems that the Peronist Party faces in pursuing a policy of full understanding with the MID.

The signatures of representatives of various Peronist factions were placed at the bottom of the text made public Wednesday. However, this necessitated writing the unadorned name of Mrs Peron, with no mention of whether she is the president of the Peronist Party or "the head of the Peronist National Movement." Bittel and other Peronist leaders could afford to go to this extreme only when they drafted the joint declaration with the MID 10 days ago.

Meanwhile, the Peronists' written opposition to the agreements with Brazil is unquestionably at odds with Peron's attempts to facilitate a rapprochement with Brazil during the latter years of his life. Peron never got along well with the Brazilians, but after he returned to the country a change in temperament could be perceived in his policy regarding the methods that ought to be employed in relations with Brasilia. In any case, we cannot say that Argentina's relations with Brazil were worse between 1973 and 1976 than they had been around 1970.

8743

CSO: 3010

NEWSPAPER DIRECTOR TERMS POLITICAL DIALOG 'USELESS'

PY021852 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1130 GMT 26 Jun 80

[Text] Buenos Aires, 26 Jun (NA)—Diana Julio de Massot, director of the Bahia Blanca daily LA NUEVA PROVINCIA, agreed to participate in the political dialog initiated by the armed forces, but she called it "useless" and warned that the military government "is certainly taking a risk" if it hopes that the dialog may be transformed into an alliance with "the parties which are becoming the protagonists of national disagreement."

The formula which asserts that there could be no representativity without parties "is false" and is "one of the greatest and most disastrous myths of Argentine politics," asserted Mrs Massot who was received by Interior Minister Albano Harguindeguy last night. She expressed the opinion that "the dialog should be established at the end" and summed up her thoughts in a document given to the minister, which reads as follows:

"The political bases and, still more, the present course of the reorganization process deserve careful and calm reflection. The first thing which appears perfectly clear is the unchangeable and unquestionable will of the armed forces to continue as the central protagonists of the process, at least as long as the process follows its present institutional channels and maybe longer. However, will does not necessarily imply capacity and I therefore believe it to be suitable to point out today, while viewing the future, that the bases and the process itself are beset with contradictions and vagueness.

"It appears that this dialog would permit the government to overcome the isolation in which it is acting. This statement, repeated too often by observers who are sometimes superficial and sometimes biased, should be scrutinized as to its true shade of meaning. It is not true that a de facto government acts, or can act, in a vacuum because of the mere act of freezing the activity of the political parties. The present regime--of an undeniable military tint or, rather, of an essentially military nature--maintains relations, friendly or otherwise, with the most diverse sectors of society, much more widespread and numerous than ... which supported Isabel Peron's government which was the result of elections in which the



efforts of practically the whole political spectrum of that time were exerted.

"The formula according to which there could be no representativity without parties is false and is one of the greatest and most disastrous myths of Argentine politics. Anyway, representativity is not limited to the party level. Furthermore, the parties of this country have been the prey of their bureaucratic machineries which have gradually taken the place of their programs and have led to the existence of virtual oligarchies, dedicated to the defense of sectarian interests.

"To continue the analysis, the bases still need a new starting-point for the national reorganization. The intention and the task are no small matters; it is the question of nothing less than founding the republic anew. Nevertheless one is entitled to wonder about the manner in which the foundations of the new republic will be laid with the aid of a leading class which has repeatedly and absolutely failed for several generations. This is a class which chose to bow to the tyranny of the masses and to accept the idolization of a traitor to the fatherland. This is the class which justified national disruption out of fear or revenge by arguing that the violence was coming both from above and from below.

"The repeated statements of certain political leaders merely confirm the impression that they do not believe in changes, because nothing significant has taken place in the country. We are surprised and outraged to see that their criticisms and their style have not changed since 1945. None of them has indulged in self-criticism, nor have they made any efforts to reshuffle their positions or to question their own sincerity and that of their peers. Likewise, none of them has created new solutions capable of precluding the rights of the masses from curtailing those of the minorities and even those of the nation as a whole. Were they not conspiring against the nation when they handed the academic establishments over into the hands of Marxism to be converted into cauldrons of subversion? Were they not conspiring against the nation when they turned the economy over to Gelbard's plutocracy? At that time no one produced valid solutions capable of protecting the country from the offense of having as president of the nation and commander in chief of the armed forces a woman who lacked capacity and high moral standards.

"What can come out of this dialog between a political class which presided over and profited from decadence and the military government installed to put an end to this very decadence? What can they agree on? Can the Argentine military men truly believe that they will obtain coherent answers from these figures, almost all of whom repeat each other's words even though they seem to contradict each other? This dialog gives the impression that the armed forces doubt their own source of legitimacy and are ashamed of presiding over a de facto government even though the de facto government has saved us from subversion, and though a 'lawful' government is responsible for the chaos.

"If the intention to re-create the republic cannot be served by consulting with those who so badly discharged their political responsibility, neither does it seem right that the government--resorting to a variety of adjectives such as modern, stable, representative, federal, etc.--should announce the new democracy it plans to establish, because it is easier to make a list of requirements than to implement such requirements. It was a purportedly democratic government that pushed the nation into an abyss and the opposition gave it undeserved recognition, as though government and opposition were sides of the same coin. Those who voted the amnesty law were subservient to the president, kept silent in the face of labor arrogance, gave in to the Montoneros' threat and were obviously lacking to a shameful degree solutions for a country which was coming apart. Democracy will be legitimate if ever the Argentines find the formula to transform it from a vote-seeking scheme into the system of coexistence that democracy should be. Democracy should serve the republic, our republican tradition, or it will result, as it has, in the practice of abuse by the majority.

"In short, what we want to say--setting aside the intentions of the armed forces, which we believe to be the best--is that nothing new has been done by inviting a dialog and offering some sort of liberalization. Something similar has been tried by the FREJULI [Justicialist Liberation Front], the National Assembly of Argentines, the Hour of the People and finally the Great National Accord. So this type of experience in Argentina is as extensive as it is discouraging. The government is running a real risk if it thinks that the dialog being promoted can be the beginning of an agreement that could develop into an alliance with the political parties that are precisely the promoters, with impunity, of the national disagreement.

"The armed forces should endeavor to fill the political vacuum through new channels, as was done by others before--Roca for instance--who came to power and consolidated their positions by adopting postures that were different from those of the 'establishment' in any given period. This is an historical lesson which the military intelligentsia could profit from.

"The armed forces have been right in recognizing that security is the foundation of any political community. Without security as a prerequisite for the development of the individual within society, freedom, private property or any other value would not make much sense. Security--or internal peace, if you prefer--does not yet exist to the extent necessary for the action the government is undertaking, apparently because it does not understand the scope and depth of the country's troubles. The bridge between military government and the institutional future is a revolution that must be carried out.

"This dialog is therefore useless if the government fails to understand that a dialog must ultimately be institutionalized. The successful dialog must be the result of a unity forged by political success, not

the starting point to achieve that unity. The armed forces must first meet the expectations of a nation with a manifest destiny which has not yet been impaired, but for whose fulfillment nobody seems willing to assume responsibility. To fulfill this manifest destiny, the armed forces took upon their shoulders on 24 March the responsibility to lead the country in an undertaking that would legitimize their action.

"Such are our revolutionary needs and so many and urgent are the problems we are currently facing that it is entirely out of place to discuss the future prime minister, the qualified vote, the constituent assembly, the primary elections, the Bicameral congressional system, and the electoral methods. Political rights come second after the rights of the nation to develop and defend its very existence. Before we start arguing about the formal aspects, we must establish the essence.

"The River Plate Basin is faced with a challenge, there is a southern conflict where sovereignty is at stake, the subversive struggle is not over yet, the worldwide situation is distressing, and an overall re-organization of education is long overdue. In addition to this, we must develop our incalculable material resources, and we must launch a cultural offensive from this last stronghold of the West in an effort to set a barricade of pride and sacrifice against a world which seems to rejoice in decay. Argentina must fulfill a geopolitical role in the subcontinent, and it must channel its foreign policy in an organized manner. In sum, our responsibilities are so great that this is not the time to put the cart before the horse by discussing the future and final institutional organization.

"If the government acknowledges the need to rebuild the nation, not with the aid of a class which has failed but by activating a new leading class imbued with the realistic and pioneering spirit inherent to great politics, then this dialog could become the right instrument. Otherwise, it will be the preamble to unimagined evils. Thus, by protecting the state from pluralist disruption and the cult of the masses, we are not seeking to eradicate politics. Making a revolution means, among other things, to rescue politics--this beloved instrument for the channeling of the efforts of the community toward common well-being--from the hands of a few unscrupulous persons who believe that politics means only elections, votes, committees and congress."

CSO: 617

## ARGENTINA

### BRIEFS

LABOR LEADER ESCAPES ATTACK--Buenos Aires, 6 Jul (NA)--Roberto Garcia, leader of the taxi union, escaped unhurt from the terrorist attack perpetrated against his home on 3,159 Deheza St, in Saavedra neighborhood of this capital early this morning. Garcia, who represented the Argentine Worker's Movement to the International Confederation of Free Trade Unions (ICFTU) Conference until November 1979, was the victim of a second terrorist attack in the same year. He was victim of a similar attempt in April. The union leader reported, a few hours after the attack, that after an explosive device detonated in front of his home at about 0300 hours, he received insistent phone calls from unidentified persons who instructed him to leave the country, making death threats. [Excerpt] [PY062307 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2045 GMT 6 Jul 80]

PERONISTS DETAINED--Buenos Aires, 1 Jul (Telam)--Unofficial sources have reported that about 40 persons were detained on charges of creating disorder during a ceremony in honor of Gen Juan Domingo Peron. The ceremony was held at the Chacarita Cemetery on the sixth anniversary of Peron's death. Those who were arrested are at the 29th Federal Police Precinct building. Once they have been identified and their places of residence and work are established, they will be released. [Text] [PY020208 Buenos Aires TELAM in Spanish 2350 GMT 1 Jul 80]

DEMANDS FOR DISAPPEARED--A list of 48 persons who have disappeared while being held under government custody has been handed by their relatives to the military junta. Some of the 48 are persons who were to be released after being held at the disposal of the executive branch, but have never been seen again. The same happened to other prisoners who had served out their sentences or after having been cleared of charges by a court. Others disappeared while being held at the disposal of the executive branch or awaiting trial. The explanation often given by prison authorities to relatives of the missing was "they have been released" or "they have been transferred," the letter to the junta says. The list includes cases of persons who have disappeared while being held by military or police authorities without a judge's order and whose arrest had not been ordered by the executive branch. There are also cases of persons who

have appeared in official communiques as under arrest but who have never been seen again. The relatives ask for news of their missing "sons, husbands, brothers," and give detailed accounts of each disappearance. [Excerpt] [PY082030 Buenos Aires HERALD in English 8 Jul 80 p 11]

DETAINED PERSONS RELEASED--Buenos Aires, 8 Jul (NA)--The Interior Ministry reported tonight the release of 152 arrested persons who were at the disposal of the executive branch, and 50 were put on parole. It was also reported that 16 persons were authorized to leave the country. [Text] [PY090336 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2141 GMT 8 Jul 80]

FLOOD VICTIMS--More than 10,000 persons have been evacuated from the flooded areas of Formosa Province, while the waters of the Paraguay River continue to rise. [Buenos Aires Domestic Service in Spanish 1600 GMT 25 Jun 80]

CSO: 3010



BARBADOS EXPECTS 100 MILLION DOLLARS FROM SUGAR CROP

PL071000 Bridgetown ADVOCATE-NEWS in English 1 Jul 80 p 1

[Text] Barbados' 1980 sugar crop is expected to bring in \$100 million, some \$30 million more than projected.

The price of sugar on the world market is responsible for this upward revision, Dr Courtney Blackman, governor of the Central Bank of Barbados, said yesterday. But he painted a gloomy picture overall and said that imports into Barbados this year were estimated to reach \$1,000 million, about four times the per capita income of Guyana.

The Central Bank governor was reviewing economic expansion for the first quarter of this year. He said at a press conference that the economy experienced real growth but not at the same rate as the first quarter last year.

Dr Blackman said the Barbadian economy has already begun to feel the adverse impact of a rapid rise in oil prices, widespread inflation, recession in North America and slow growth in major industrial countries. He said that the island was experiencing an increased cost of imported goods, especially oil, slower growth in the tourist arrivals and expenditure and a reduction in the production lines of at least one electronics plant, owing to the deepening recession in the United States.

"The directors of the Central Bank are watching these international trends most carefully and are especially concerned at the slow growth in our foreign exchange reserves during the first quarter, a trend which persisted in the second quarter as well," Dr Blackman said. He added that the Central Bank has therefore taken some precautionary measures to limit the extension of credit for consumer purchases. Commercial banks have been instructed to limit the increase in credit to the distribution sector to 10 percent over calendar 1980, while the increase in credit to the personal sector has been limited to five percent. Dr Blackman said that most of this five percent credit to the personal sector has already been taken up. He added that, in effect, the Central Bank has moved to freeze credit extended to the personal sector at existing levels.



Dr Blackman said Barbadians will have to postpone major sales and save more if these restrictions on lending were to be eased.

He said that exemption has already been discontinued in the case of loans for the purchase of real estate and for home improvement. The exemption for mortgage loans of 15 years or over has been limited to transactions involving a downpayment of at least 25 percent of the total loan.

However, in an attempt to facilitate the purchase and repairs of chattel houses, the Central Bank has expressly exempted from restriction mortgage loans not exceeding \$15,000 and "bona fide" loans for house repairs not exceeding \$5,000.

Dr Blackman said that, as before, there were no restrictions on loans to the agricultural, tourist and manufacturing sectors.

"The bank emphasises that these credit restrictions do not in any way affect small businesses, since it has established a special discount window for loans to small retailers as well as a small business loan guarantee fund," he said.

"In order to complement these measures to restrain credit the board of directors of the Central Bank has advised government to exercise increased restraint of fiscal operations so as to reduce inflationary pressures in the economy and to protect the balance of payments."

"In these circumstances, no doubt, trade unions will also recognise the need for caution in the current wage negotiations. Excessive wage increases would contribute to our inflationary and balance of payments difficulties and might also erode the recent gains made in the area of employment."

(80) 1070

CITIZENSHIP BILL UNDER DEBATE IN BAHAMAS

FL031323 Nassau Domestic Service in English 1200 GMT 3 Jul 80

[Text] The constitutional (?amendment) bill is up for more debate in the House of Assembly this morning. Lionel Dorsett reports on yesterday's action (?and) debate.

Lionel? [Dorsett] Two opposition members of parliament said they could not support the government on the legislation presently before the house dealing with the amendment of certain articles of the Bahamian Constitution in reference to citizenship. Social Democratic Party MP for Marsh Harbour, Mr Michael Lightbourn said the government was ripping the constitution in two. He said in 1972 the government and the opposition agreed to the constitution and now 7 years later Bahamians were being told a mistake had been made. Said Mr Lightbourn: I cannot support the bill despite what any member says. The bill, he said, takes away citizens' rights. Social Democratic Party member for Clarence town, Mr (James Knowles), said he could not support legislation he deemed immoral. Saying he had spent many hours deliberating the bill, (Knowles) said that the Bahamian people in short order would be called upon to pass judgment on it. He said he did not know what the results would be but he could not support it.

The minister of education and culture, the Honorable Darrell Rolle, debating the bill said when the political history of the country is written for the period 1967 to the present, historians will have a good reason to conclude that the greatest threat to the survival of the party system of government has been the failure of opposition parties over the years to advance a cohesive and sustained (?political) philosophy on any subject. Noting that the government has been accused both inside and outside of parliament, of [words indistinct] the rights of the people as guaranteed by the constitution, and by the leader of the majority opposition of immoral and dishonest conduct, Mr Rolle said: I contend that the immorality and dishonesty exists on the part of the opposition, not the government; that this parliament and the opposition in this parliament intend the government to have the final word in respect of the citizenship question

for [words indistinct] five, seven, nine and 10 of the constitution. Parliament and the opposition never intended to confer automatic citizenship on such persons. [Word indistinct] parliament and the opposition never intended that the final determination on citizenship to rest with the courts as it was intended to be a political decision to be taken by the government of the day. He also noted the fact that both government and opposition were in total agreement when the Bahamian Nationality Act (?was passed) in 1972 without revision.

Mr Rolle said the government has been extremely liberal in its consideration of applications for Bahamian citizenship. He said of the number of applications considered during his 10 years as minister responsible that the rate of approval exceeded 70 percent. He noted that there were some applicants who were registered, others who were naturalized but did not qualify under those provisions of the constitution [word indistinct] to them, some were unable to renounce their previous nationalities, others found that the law of the country had changed in the interim preventing them from relying on those provisions of the constitution which would have made them automatic citizens. Nevertheless, the government, after being satisfied that they had exhibited the qualities of good citizens acceded to the application for citizenship. The government's dealing with citizenship, said Mr Rolle, has been completely devoid of racial overtones. We judge citizens not by the color of their skin, he said, but by the attributes they bring to citizenship.

Debate continues this morning with Mr (James Knowles) (?taking) the floor of the House.

CSO: 3020

## BOLIVIA

### SOVIETS TO DISCUSS FINAL STAGES OF MINERAL PLANT

La Paz PRESENCIA in Spanish 25 Jun 80 p 12

/Text/ Next week a Soviet technical delegation will arrive in Bolivia to conclude the final construction phase of the tin volatilization plant in La Palca, according to COMIBOL /Mining Corporation of Bolivia/ general manager Hugo Zapata.

The Mashinostroyeniye technicians will discuss with Bolivian officials ways of overcoming the technical and financial difficulties which are delaying the opening of that plant.

The Soviet delegation "will be empowered to make decisions," Zapata said in announcing that the Soviet ambassador in La Paz had made such a commitment 2 days ago.

The experts will arrive in La Paz Tuesday or Wednesday of next week. COMIBOL has agreed to pay a debt of \$2.2 million within the next few days, a factor among others that is delaying completion of the plant. The project has also been delayed by geological problems in La Palca which resulted in a landslide that affected work at the plant.

Work was slowed by the fear that the instability of the land would create new problems. In the meantime, a French company is working to stabilize and compact the ground.

General manager Zapata expressed confidence that with the intercession of the Soviet ambassador an agreement will be reached which will guarantee the completion and operation of the volatilization plant by the end of this year at the latest. The plant was scheduled to open in August of this year.

#### Machacamarca

The Soviet delegation will also discuss a contract for the construction of a similar plant in Machacamarca (Oruro). Originally, the plant was to have been built following the signing of an agreement similar to the one

for La Palca, but COMIBOL officials questioned the financial terms of the contract.

COMIBOL would like to have a 2-year grace period following the completion of Machacamarea and another 10 to make payment. This would help solve the problems arising from La Palca, which is almost completely paid for, before it goes into operation.

According to COMIBOL officials, meeting the debts incurred with the La Palca project is one of the reasons for the agency's lack of liquidity.

The negotiation of a new contract for Machacamarea and the renegotiation of new terms for La Palca were the result of a Bolivian-Soviet protocol signed at the beginning of this year.

The volatilization plants are designed to process low grade tin so that it can be treated at the Vinto foundries.

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## BOLIVIA

### ECONOMIC PROBLEMS FACED BY NEW GOVERNMENT CITED

La Paz EL DIARIO in Spanish 26 Jun 80 p 3

[Text] La Paz, 25 June (L)--In August the constitutional government the Bolivians elect on Sunday will find the nation submerged in one of the worst economic crises of our history, a crisis that is characterized by dependence and backwardness.

On 6 August when the president-elect takes office for a 4-year term, he will accept tacitly the challenge posed by the crisis: to move the nation out of its underdevelopment or be subjected to fatal stagnation.

To accomplish this any plan of action undertaken must combine the demands of sustained social development and economic programs with the needs of the poor who are trying to close the gap that separates them from the privileged few.

This dramatic imbalance was blatantly underscored by official data which showed that 40 percent of the workers--whose number has been estimated at 2.7 million by 1980--receives only 13 percent of the national income, another 40 percent receives 20 percent and the remaining 20 percent, the upper class, receives 61 percent of the national income.

The word crisis is pervasive in all sectors of production.

Tin mining, the nation's major economic activity since colonial days which today accounts for 70 percent of Bolivia's revenues, is in a crisis.

The average level of production over the last 2 years, estimated at 30,000 metric tons, dropped in 1979 to 27,750 because of the substantial increase in output of other countries (Thailand and Indonesia) which threaten to replace Bolivia as the number two producer of tin in the world.

The tin situation, despite the best international prices which compensated for the drop in production, is threatened by the direct impact of the massive sales of U.S. strategic reserves. The United States government authorized the export of 35,000 tons despite Bolivia's protests.

In the hydrocarbons sector, another traditional pillar of the Bolivian economy, over the short term Bolivia will irreversibly move from its role as an exporter to that of an importer.

With its gradually declining production, Bolivia stopped selling oil in 1978 to Argentina and the present capacity of its failing deposits--23,000 barrels per day--will soon be overtaken by domestic consumption. In August domestic consumption will reach 26,000 bpd, according to official estimates.

The oil situation, at a time when internal criticism is mounting against gas sales to Argentina (150 million cubic feet per day) and agreements signed with Brazil (1974) for the sale of 240 million cubic feet of gas per day, requires an aggressive exploration policy.

As for monetary reserves, a recent official IMF report released in Washington showed a drop in Bolivian reserves from \$178 million to \$95 million during the first quarter of 1980.

The sharp drop of nearly 47 percent was caused by the recession affecting the major economic sectors, the slowdown in investments, the flight of capital, labor costs coupled with the growing number of strikes, according to experts who were consulted.

Another factor in Bolivia's crisis is the external debt which on 31 December 1979 totaled \$3.788 billion. Most of it is comprised of agreements signed during the 7 year administration of former President Gen Hugo Banzer Suarez (1971-1978).

Official reports indicate the strong pressure placed on our balance of payments because short-term, high interest credits have come due. Most of these credits are with private international banks. In 1980 Bolivia's obligations stemming from its foreign credit debts will total \$626 million. This means that Bolivia must set aside each year 40 percent of its export earnings. The nation's overall export earnings for the present fiscal year have been estimated at \$1 billion.

But the real battle awaiting the future government in the economic field will be waged on a very difficult front when the government attempts to reconcile its wage policy with the increased demands from labor for higher wages.

Despite the fact that in 9 years wages quadrupled, a Bolivian worker earning the minimum wage needs to work 892 hours per month to be able to afford the high cost of the market basket.

In March a mixed minimum wage commission found that the cost of the market basket was \$272 per month while the minimum salary was estimated at \$53.



A wage study published by the Ministry of Labor in May showed that 83 percent of the Bolivian working class receive salaries of between \$52 and \$129 while the remaining 17 percent receive salaries of \$129 and above.

Government figures released by the INE /National Institute of Statistics/ showed that the consumer price index (cost of living) from 1970 to the present rose from 100 to 485.19 while the minimum salary rose from 300 pesos to 1,315 pesos.

However, within that period there were two devaluations of 66 percent (1972) and 25 percent (1979) which considerably eroded the buying power of the workers income.

Inflation grew at a rate of 26 percent in 1978-1979 and during the first quarter of 1980 it rose to 49 percent compared to the same period in 1979, according to data released by government agencies.

In view of this situation, union demands for a general increase in wages--of at least 100 percent--were suspended until July as the result of a decision made by the COB /Bolivian Labor Federation/.

The top labor group postponed its plans in a political move designed to help preserve the fragile democratic process, but it was able to extract from the government a "special bonus" (of \$200) to be paid on a one-time basis as compensation for the November devaluation.

In short the Bolivian economic situation which the next constitutionally elected president will inherit--coupled with the political and social tensions--will pose a real challenge to the survival of the democratic system in this impoverished nation of 5 million people.

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## BRAZIL

### LABOR LEADER LULA DISCUSSES UNION POLITICS, FOREIGN AFFAIRS

Stockholm SVENSKA DAGBLADET in Swedish 10 Jun 80 p 26

[Text] His is the only new name to come to the forefront in Brazilian society on a national level since 1964. Under the nickname of "Lula," the 34-year-old union leader Luis Inacio da Silva has become well known, even outside of his own country.

During the major strike in Sao Paulo's industrial ABC district, Lula was "deposed," along with some 40 other leaders, and forbidden further professional activity. Lula spent 31 days in jail for instigating a "political strike." It is possible that international opinions contributed to his being set free.

It was the World Bank which contributed indirectly to the phenomenon of Lula. In a technical memorandum concerning Brazil's economy, the bank made note of the fact that the cost of living index for 1973 had been underestimated by the officials responsible. Accusations of "manipulation" were later directed at the finance minister at that time, Delfim Netto, from the labor union sector.

Began in 1978

At that time the previously unknown Lula took over the leadership of the labor union campaign which was working for compensation for the "lost years." After 10 years of silence, the Sao Paulo metal workers began in 1978 with a strike which rocked the government. A similar action was taken in the following year. Lula was "deposed" by the ministry of labor for the first time in 1979, but continued in spite of this to lead the strike. The authorities then gave in, and Lula was restored to the chairmanship of the union.

The demands issued this year by the metal workers were characterized by the government authorities and the industrial corporations to be a serious threat in an already problematic economic situation. The employers' association FIESP broke off the negotiations at an early stage. Austere

policies on the part of the government and the army resulted in several tension-filled weeks. After a 6-week-long strike, the workers went back to the factories, "beaten but unbowed."

Lula intends at this point to continue the labor battle. Besides this he is beginning a career as a politician in the newly-formed workers' party, PT.

As chairman of the metal workers' union in Sao Bernardo do Campo, Lula earned 30,000 cruzeiros (approximately 2,900 Swedish kronor) per month. He owns a car, which is unusual for a Brazilian blue-collar worker. With his wife and three children, he lives in a one-story bungalow which he owns. SVENSKA DAGBLADET met with him there.

Not a "Hero"

[Question] Who is Lula? After leading three years' worth of major strikes in the ABC area, do you consider yourself a labor hero, a political leader or just a union leader?

[Answer] I am a labor leader. That our ABC battle became meaningful for the whole country is more than anything else a demonstration of the metal workers' organization. And workers as a social class need to be organized. There are no such things as "heroes" or individual leaders." Politically I see myself as representative of my class.

[Question] We have heard a lot about the "radical intellectuals" who are supposed to be your political advisers. Who are they?

[Answer] People who know me and work with me know that there aren't any so-called "radicals" who are exploiting me. On the other hand, it is true that I have close contacts with individual intellectuals who are the most interesting people that I know in Brazil. They include lawyers, university professors and priests who are dissatisfied and who dare to be critical of the things that are wrong in this country.

Strike Funds Too Small

[Question] Wasn't the last strike a tactical error? Not one request that the workers made was granted. The negotiations on the employers' part did not show proper representation for the large corporations. And you must have seen beforehand that the army was going to react, since such a short time had passed after a long period of dictatorship.

[Answer] I don't think that you can analyze the strike by only looking at the negative aspects. We weighed and considered those factors before we decided to strike. The workers' confidence in us as labor leaders was the decisive element in our plans, and we knew that it would be a power struggle. The only mistake which I can see is that the strike funds were insufficient to continue the strike after 6 weeks.

[Question] What do you think of the role of the multi-national corporations in the negotiations?

[Answer] They hid behind the smaller corporations and weren't interested in the negotiations at all. Volkswagen, Mercedes, Ford, and Scania, for example, didn't come to Brazil because it was the land of hope or because Figueiredo is president or because I am a union leader. They came here because a large domestic market plus cheap labor make for big profits.

#### "Controls Necessary"

[Question] How do you personally feel that Brazil ought to deal with the foreign corporations?

[Answer] With control. They ought to be subject to controls, and they ought to follow Brazilian laws, laws which regulate profits, for instance. In the long run, it is also important for them to provide the same salaries and benefits here in Brazil which they provide for the workers in their respective home countries. Or that the salaries here represent the same percentage of the product's final cost as they do in the home country.

[Question] That is an argument which is very commonly heard in the European labor organizations. Do your Brazilian labor unions have contact with unions in Europe, for example?

[Answer] Unfortunately, we have had very little contact with foreign unions up to this point. I'm hoping for more exchange of experiences in the future. I'd also like to see contracts in the future which apply to all the countries where a big corporation has factories. Capital has no nationality. It is bad that the labor force should be exploited differently in different countries.

#### Demand: Fewer Work Hours

[Question] When we looked at the metal workers' demands for this year we found that the list was quite long. It mentions not only salary increases, but a multitude of other privileges as well. Don't you think you asked for too much?

[Answer] Not at all. Most of the points on the list had to do with secondary questions which had already been accepted in practice. We have been accused of trying to put through demands which are economically irresponsible. We asked for a 15 percent increase in real wages. That sounds high, but there was good reason for it, and we were prepared to be satisfied with less. We wanted to get our work time down from 48 hours to 40 hours a week. That would lessen the unemployment rate which is now beginning to be a big problem in Brazil too. We wanted union representatives at the work sites and guaranteed work. The way it is now, people can be dismissed without the company even having to give the reason.

## "Salaried Workers Lose"

[Question] What was the basis of the demand for a 15 percent increase in real wages?

[Answer] In 1973-74 the workers of Sao Paulo lost 34 percent, when the cost of living index was miscalculated. In 1978-79 we got back a raise of 19 percent. So 15 percent was still lacking. That's where the figure comes from.

The cost of living index is always lower than the official rate of inflation, which in turn is lower than the actual inflation. This means that the salaried worker is constantly losing. When we talk about raises in real wages based on a corporation's productivity, we're trying within the company itself to get back part of what we lost under inflationist policies.

## "Constant Economic Crisis"

[Question] A corporation president said to us the other day, "Lula doesn't know anything about economics. What he doesn't understand is that the current economic crisis is severe."

[Answer] It's true enough that I don't know much about economics. But what I do know about is exploitation. I know what poverty is. And I know quite a bit about corporate leaders who don't play fair. This bit about the economic crisis is a weak argument. If we look at the last thirty years, Brazil has constantly been going through economic crises. The only time when the economy was running really well was between 1969 and 1974, the time of the so-called "economic miracle," which was also the most difficult period for large parts of the population. Brazil is in constant economic crisis not because it lacks resources, but because the country is mismanaged.

## "My Motivation is Freedom"

[Question] What do you think of Cuba and Nicaragua?

[Answer] I know very little about these countries. I don't believe in foreign examples. I believe in domestic solutions.

[Question] And Social Democracy?

[Answer] It has certainly been meaningful in the development of society in Europe. But it looks out for its own interests and doesn't care about the developing countries. As far as all of these "models" go, there is only one thing that motivates me--freedom. A system which gives you food, housing and schools is not enough. Human freedom is also important.

MOZAMBIKAN BANK OFFICIAL VIEWS TRADE POSSIBILITIES

Maputo NOTICIAS in Portuguese 13 Jun 80 p 3

[Interview with Sergio Vieira, governor of the Bank of Mozambique, date and place not given]

[Excerpts] The economic policy adopted by Mozambique in connection with foreign capital investments on our national territory and the prospects for cooperation between our state and Brazil were the culminating points at the press conference held some days ago by member of the Central Committee of the FRELIMO Party and Governor of the Bank of Mozambique Sergio Vieira, with Brazilian journalists who are visiting our country as members of the delegation headed by the chief of the Brazilian diplomatic corps, Ramiro Saraiva Guerreiro.

As we announced earlier, we are reporting that press conference held by Sergio Vieira today.

Newsman: How do you see it as possible to reconcile future cooperation between Mozambique and Brazil in terms of coexistence, when our regimes are diametrically opposite?

Sergio Vieira: It seems to me that neither Brazil nor Mozambique is about to invent gunpowder, since this was done some time ago.

The principle of peaceful coexistence among nations with different social systems, the principle of relations of friendship and cooperation among states with different political and social options, has long been endorsed in international relations. In any case, it does not seem to me that the relations between nations are based on what constitute the points of difference between them. The relations between nations are based on those points which are of common interest, on what represents a relationship with mutual advantages.

And I think that when we take up the subject of relations between the Federative Republic of Brazil and the People's Republic of Mozambique, we will find then numerous fields in which the relations between the two nations,



the relations between the cultural and social institutions of the two states, can be of great mutual advantage. There is a tradition of solidarity and friendship between our peoples. This represents a very important, very positive point of departure for our relations.

There are other basic questions on which we will find ourselves on the same side of the barricade. I think that when it comes to the struggle against colonialism, the struggle against racism, the struggle against aggression, the struggle in the defense of peace, we can find, beyond the points of difference, points in common which allow cooperation in the interests not only of our two countries but the general interests of mankind.

### Building the Future

Newsman: We would like to know what is the real attitude of Mozambique toward the Brazilian government and if the past resentments have really been forgotten now . . .

Sergio Vieira: The past is not forgotten. It is assimilated.

Everyone carries his past with him, but we are in the present and we are building a future. But to build a future effectively, it is necessary to assimilate the past, taking into account what has been positive and what has been negative. For we are advancing with our feet planted on the ground, and not by avoiding reality.

When you speak of the Brazilian government, I have a certain difficulty in responding because I do not know to what aspect you refer--whether it be the vote cast by Foreign Minister Afonso Arino Neto Franco in the United Nations against Portuguese colonialism, or other phases in which there has been some cooperation, even major cooperation, with Portuguese colonialism. Or you may be referring to the present or more recent phase, in which we have been happy to see Brazil, for example, among the first nations to recognize the People's Republic of Angola, at a time when it was under attack.

It would be legitimate to expect a positive attitude of solidarity in times of difficulty from the Brazilian people and state, as from all other peoples and states. What can we say? That we were deceived--why not, if it is a reality? But on the basis of these realities, we can learn how to build the present and the future.

### Step-by-Step Development of Relations

Newsman: Could you specify in rather practical terms for us what type of cooperation and closer relations Brazil might have with Mozambique from now on?

Sergio Vieira: Our relations are developing in a number of fields.



Trade relations have been developing in a way I also regard as positive. Currently, they must come to about \$100 [sic]. Trade relations between the two countries do not yet make Brazil one of our main partners, but we believe there will be a natural tendency for them to develop still further, and that Brazil may become one of our main trade partners.

In the realm of technology, some work remains to be done, and we have engaged in positive cooperation with some enterprises in this field. We think that as a result of these contacts now made on a high level, we can find new paths toward and fields for cooperation in agriculture, industry, and transportation infrastructure, from which both parties can derive great advantages.

On the level of cultural, scientific and athletic relations, I believe that little or nothing is being done. We will have to approach this as an important field, in view above all of the great affinity of our two countries in cultural traditions.

#### More Than Vague Statements of Principle

Newsman: Has Brazil made more approaches to Mozambique than the other way around?

Sergio Vieira: I do not view this exactly like a soccer game, which is won by whoever makes the most goals. As to who has paid the most visits . . . I have not counted those made on either side.

Newsman: But you still do not have an ambassador in our country and we feel this keenly.

Sergio Vieira: The establishment of embassies follows a work schedule. It is not just a matter of a house, however comfortable it may be. An embassy means staff.

Newsman: You said that you have not counted the visits. Diplomatic trips are a good thermometer for relations between two nations.

Sergio Vieira: We can say that this is the first ministerial visit between our two countries, and in that sense then we can say that either Brazil or Mozambique--I do not know to which side we should award the first goal--the visitor or the host, but this is the first visit on a ministerial level, on the highest ministerial level, since it involves the minister of foreign affairs. It is a visit of an eminently political nature. I think that it will be returned, as is usual with these visits. And then we will be even. And then we can continue.

Newsman: But what has hindered the government of Mozambique from attempting to score a goal as well?

Sergio Vieira: Why don't you tell me, as a Brazilian friend, what prevented the Brazilian team from making its first goal?

I think that the question cannot be viewed in these terms. Preparations are being made for relations and they are being built. They develop at a certain moment because it is necessary to establish conditions so that relations will be firm and will not remain merely vague assertions of principle and goodwill to be reasserted on one occasion or another.

Newsmen: Does the invitation issued to the secretary general of the communist party to participate in National Mozambican Day mean a loss of prestige for the Brazilian government, at least . . .

Sergio Vieira: Well, each individual has his own interpretation and none is compulsory. When we invited Comrade Luis Carlos Prestes to visit Mozambique, it was in his capacity as a comrade in struggle, a comrade in difficult times who is much beloved by our people. We did not think this would offend the Brazilian people.

Newsmen: No, not the people!

Sergio Vieira: As far as I know, the government of Brazil has not made any protest or comment either. Thus I do not know how to interpret what you say.

Newsmen: There was some mistrust of Brazil on the part of Mozambique. Has this mistrust of Brazil ended or does some vestige of it remain?

Sergio Vieira: Again you are ascribing to us what you say, and representing your statement as our statement. It is for me to state if there was any mistrust of Brazil on the part of Mozambique.

Newsmen: The Brazilian government has always said that it had no mistrust of Mozambique. And as relations did not proceed, the more or less logical conclusion is that your mistrust did exist.

Sergio Vieira: Well, you may draw this conclusion. We never said that we mistrusted Brazil. We do think that relations are built and must be built solidly, and that the necessary steps must be taken to establish relations in a solid fashion.

In principle, we have not developed relations based on enthusiasms and emotions of the moment. And we think that the relations between Mozambique and Brazil are solid relations, and that it is of mutual interest to both parties to develop them in firm fashion. And we can state that in this connection, the visit of the Brazilian foreign minister today marks a certain stage in what has already been accomplished and opens up new prospects. And we feel that the ground is solid. Our relations are not flirtations.

## A Party Without Independence Is Not a Party

Newsman: I have a theoretical question. The Brazilian communists are involved in much discussion in our country today about a Eurocommunist line and an orthodox line. In this connection, it is of great, in fact burning interest, to know your personal position and perhaps the position discussed here in Mozambique. Would you say you are interested in this Eurocommunist thesis, which the Italians in particular have analyzed and developed into a position of independence and flexibility?

Sergio Vieira: As a party, we do not interfere in the internal affairs of brotherly parties. We believe that each brotherly party is adult enough to know how to establish what are the conditions, the phases, stages and methods, the strategy and tactics for the development of its work. It is not for us to teach the others lessons, just as the others do not try to instruct us.

The Brazilian Communist Party and the Italian Communist Party are brotherly parties, adult parties, which have demonstrated their maturity on many occasions. It is for them to establish the best methods for their work. We do the same.

Newsman: Could you say something more explicit? Have I understood rightly that you say that there is an independent line in Mozambique . . .

Sergio Vieira: Not only in Mozambique. A party must be independent. Otherwise it is not a party, but a federation of the central committee located elsewhere. Either it is a party or it is not.

Newsman: Do you believe that a type of socialism specific to the continent, something new, is developing in Africa?

Sergio Vieira: Do you believe that a special type of mathematics, physics or chemistry is developing in Africa? That the African has a kind of chemistry different from the European or the Asian?

Newsman: Cultural conditions are different.

Sergio Vieira: And so?

Newsman: Do you believe that Marxism is a science?

Sergio Vieira: As a Marxist I would say yes. Because we are working on a scientific basis. We are not talking of utopian socialism.

That our specific conditions of work at each moment and in each place determine specific methods is obvious. When I must work in Mozambique, the method of operating in the province of Maputo is not exactly the same as in Niassa, and even within the province of Niassa, when I go to the

district of Lichinga and to the district of Mecanheles the problems may present themselves differently. And it is a task of the leadership to bear in mind and to provide proper attention to the correct resolution of the problems as they present themselves.

But I do not think that there is in Mozambique a Mecanheles socialism which can be compared with the socialist path in the district of Moamba. There is but one socialism.

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CSO: 4401

# LESS THAN MINIMUM WAGE EARNED BY 46 PERCENT OF WORK FORCE

Rio de Janeiro JORNAL DO BRASIL in Portuguese 15 Jun 80 p 34

[Article by Kristina Michahelles: "Minimum Wage Does Not Affect 46 Percent of Population"; all figures are as published]

[Text] Of each 100 Brazilians who are working, 46 receive less than the minimum wage or receive no pay at all. This figure was obtained through the PNAD (National Sample Survey of Households) that the IBGE [Brazilian Institute of Geography and Statistics] made in 1978 and was just published. According to this survey, 34 percent of the economically active population that year made less than the minimum wage and 12 percent received no income, while only 10.5 percent made more than 5 times the minimum wage.

The concept of economically active population used by the IBGE includes everyone who, at the time the survey was made (22 to 28 October 1978), was working, had a job but was not working or was looking for a job, whether or not he had worked previously. The fact that a considerable portion of the economically active population receives no income is explained by various particular situations, such as that of the migrant worker who is hired together with his five children, but receives only one wage.

The 1978 PNAD also reveals surprising data about the share of women and children in the work force. Nearly half of the women who were working in 1978 made less than the minimum wage, whereas this was the case for only 28 percent of the economically active men. The higher the salary level, the fewer women in the economically active population, making clear the low regard for female workers in the labor market. Meanwhile, of each 100 persons working in agriculture, 12 are children between 10 and 14 years of age.

## Population and Income

In percentage terms, the data referring to distribution of the 1978 economically active population among various income brackets do not reveal any significant change compared to 1976 and 1977. When it comes to the absolute figures, however, the picture changes. Between 1976 and 1978, the bracket made up of persons earning less than the minimum wage increased by almost

2 million persons, while the total number of persons in the other brackets remained unchanged.

It is true that throughout the 1970 decade the percentage of persons making less than the minimum wage has decreased. Here again it happens that the absolute number of persons in this income bracket has not diminished much. It is noted that, although the percentage of the economically active population making less than the minimum wage decreased from 60.6 percent in 1970 to 32.7 percent in 1976, a large number of them were absorbed in the bracket of two to three times the minimum wage.

According to economist Julio Sergio de Almeida, of the FEA/UFRJ [Rio de Janeiro Federal University School of Economics], "the data show an improvement in the income of those in the lowest brackets, brought about by the economic growth of that period, despite the enormous inequality in the distribution of the fruits of that same growth." According to Julio Sergio, during this same 1970-76 period, the Gini coefficient (which varies from zero--perfect equality of income distribution--to one--maximum inequality) rose from 0.55 to 0.59. That is, although income conditions for the poorest improved, those of persons who already had higher incomes improved even more.

As for the most recent years--1976 to 1978--the FEA economist says he observes "a two-fold retrogression, since the percentage of the population making less than the minimum wage is again growing, although slightly, reversing the trend during the first half of the decade. And in absolute terms, the number of persons in this category has grown significantly (2 million)!"

Julio Sergio de Almeida says that the retrogression observed in 1977 serves to warn of the possible effects of economic recession. "In 1977, it was attempted to go in that direction: public investment was restricted and production and employment were quickly affected, with their growth rates declining significantly." The 1978 PNAD data show an improvement in 1978 over the previous year, although not returning to the levels reached in 1976.

An interesting fact, in comparing the 3 successive years, is the increase in the number of persons looking for work, both in percentages and in absolute numbers. In 1976, only 721,000 of those in the economically active population were seeking work; this increased to 966,000 in 1977 and to over 1 million in 1978, without including the large number of unemployed in the economically inactive population.

#### Children: The Underground Work Force

Vantuil B. is 15 years old. He has been working at construction sites since he was 11. "I help my mother, because my father is dependent upon the INPS [National Social Security Institute] and cannot work any more." He has been employed by several companies. In one of them he even received a wage, carrying sacks of cement and gravel from 0700 hours until 1800 hours. Now he



is making less money, but he cannot stop working or go back to school, which he left in the middle of the second grade. "I have five more brothers and sisters at home. You know how it is; life isn't easy."

This Vantuil, at a street-corner construction site in a Rio de Janeiro suburb, is one of the millions of little underground workers throughout the country who represent a considerable portion of the economically active population. Official IBGE data indicate that in 1978 children between 10 and 14 years of age were 6.5 percent of the work force in Brazil, a percentage considered high by international standards. Youth between 10 and 19 years of age represent 22.8 percent of the economically active population, which indicates that one out of every five workers in Brazil is a child or a teenager.

Vantuil does not have authorization from the Juvenile Court, receives less than the minimum wage and works more than 8 hours a day. According to the Consolidated Labor Laws, however, minors under 12 are forbidden to work. From 12 to 14 years old they may work if authorized by the Juvenile Court. Between ages 14 and 18, the minor may work without authorization from the Juvenile Court, but only indoors. To do outdoor work, however, the 14-to-18-year-old minor also needs authorization from the Juvenile Court. There is even an agreement signed between the court and the Regional Labor Office. One of its requirements is that the minor's work not exceed 8 hours per day.

Although in the cities it is common to see minors working under the same conditions as adults, poorly paid and hampered in their right of access to an education, in the rural area the situation is deplorable. Of each 100 persons working in agriculture, 30 are youth between the ages of 10 and 19. Twelve of the 30 are between 10 and 14, according to 1978 PNAD data. By way of comparison: the work force between ages 10 and 19 is 17 percent of the economically active population in urban areas.

Whereas industry is trying to legalize the minor's wage, in order to employ more of this manpower in the sector, agriculture already employs large numbers of minor workers. The majority of these "little migrants" are hired in a completely illegal fashion. According to the IBGE, the number of minors working in agriculture increased 54.5 percent between 1970 and 1975. It is quite common for farmers and agribusiness to employ children under 12 in what is considered "light" work, which reduces the total labor cost, since the wages of these workers are extremely low.

Vantuil knows nothing about statistics; nor has he ever heard of the IBGE. "The new people coming here say it is hard to find a job. So it is good that I managed to find this construction site. A person that doesn't have a trade has to fight over odd jobs at the marketplace." Vantuil smiles and shows a certain pride in being employed. "You know, by the end of the year I'll be getting a wage."

## Youths from 10 to 19 Years of Age in the Economically Active Rural Population

	North and Northeast	Central West	Federal District	Rio de Janeiro	Espirito Santo and Minas Gerais	Sao Paulo	South
10 to 19	37.3%	36%	35%	33.8%	33.1%	25.5%	25%
10 to 14	21.2%	18.9%	20.2%	18.4%	16.8%	15.1%	12%

### Women Still Poorly Paid

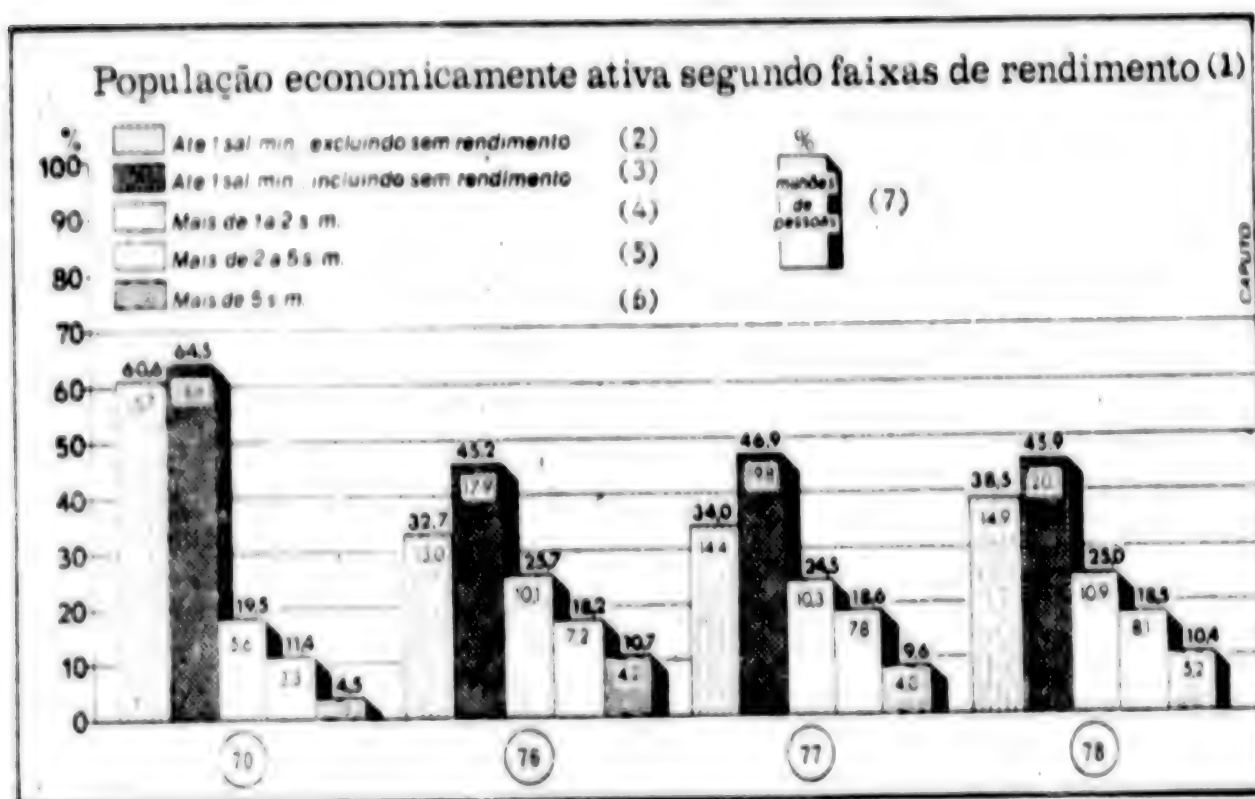
Angela R. is a schoolteacher. She earns 4,000 cruzeiros at a school in Olaria and supplements her pay with an additional 2,100 cruzeiros at another school, in Tijuca. Although she practices a profession traditionally for women, Angela complains about the few chances she and her colleagues have in a market where men are always preferred: "A woman can only teach kindergarten and elementary school. The higher the salary, the fewer women teachers that are hired. There are hardly any women in the big market for teaching, the preparatory courses for the college entrance examination."

As is Angela, millions of working women every day are made aware of the difficulties and barriers in a market where their work is still very little appreciated, despite the growing participation of women in the nation's economically active population. According to IBGE data, this increased from 17 percent in 1950 to 18 percent in 1960 and spurted to 21 percent in 1970. By 1976, women already represented 28.7 percent of the economically active population. This figure rose to 31.3 percent in 1977 and 31.4 percent in 1978.

However, nearly half the women who are working (45.4 percent of them in 1976, 46 percent in 1977 and 46.3 percent in 1978) receive less than the minimum wage. Of the 13.7 million women who were working in 1978, there were 6.3 million making less than the minimum wage. Meanwhile, only 601,000 (4.3 percent of all economically active women) were then receiving more than five times the minimum wage.

The low regard for women in the labor market becomes clear when analyzing IBGE data about the male work force: although it is still a high percentage, 28 percent of the economically active men were receiving less than the minimum wage in 1978. And there is another interesting fact: the increase of nearly 2 million persons in those making less than the minimum wage that occurred between 1976 and 1978 included more women (1.2 million more) than men (725,000 more).

The share of women in the economically active population becomes gradually less as the income bracket rises. Among those earning between one and two times the minimum wage in 1978, there 8.1 million men and 2.8 million women. In the range of two to five times the minimum wage, there were 6.6 million



Key:

1. Economically Active Population According to Income Bracket
2. Minimum wage or less, excluding unpaid workers
3. Minimum wage or less, including unpaid workers
4. More than the minimum wage up to two times the minimum wage
5. More than two times the minimum wage up to five times the minimum wage
6. More than five times the minimum wage
7. Millions of persons

men and 1.4 million women. Finally, an income more than five times the minimum wage was received by 4 million men (13.3 percent of the male work force) and by only 601,000 women (4.3 percent of working women).

An even more serious phenomenon, however, is the large number of women who work without receiving any pay. According to the PNAD of the IBGE, among each 100 women who were working in 1978, 18 were not paid anything. Among men, only 9 in every 100 were in that position. According to Angela, the high-school teacher, the labor market in Brazil for hundreds of years has been marked by the paternalistic tradition: "A woman who competes with a man for a job is hired only if she can be proven to be exceptionally better."

## TRADE WITH PRC MAY REACH \$1 BILLION IN 4 YEARS

### Trade Mission Visits China

Brasília CORREIO BRAZILIENSE in Portuguese 20 Jun 80 p 12

[Text] Trade with China may reach \$1 billion in the next 4 years, businessman Mario Garnero asserted yesterday after holding a long meeting with Foreign Affairs Minister Saraiva Guerreiro to report on the results of Brazilian trade missions to China and Chile.

The president of BRASILINVEST also invited the foreign affairs minister to preside at the opening session of the Symposium on Alternative Energy Sources to be held in Sao Paulo 2 to 5 September by the Forum of the Americas, with support from the Organization of American States.

Mario Garnero said that during the recent trip by 40 businessmen to Chile, business totaling about \$18 million was transacted and signs of interest were perceived among private groups. This contact will probably be broadened through the impending visits to Chile by Foreign Affairs Minister Saraiva Guerreiro and later by President Joao Figueiredo.

Another trade mission was made to China recently. It discovered new areas for cooperation and trade, particularly in reforestation and lumber, where the Chinese expressed interest mainly in purchasing paper, cellulose and planks or particle board for construction. The Chinese government will send a mission specifically to carry out a survey of what Brazil has to offer in this sector.

In the hydroelectric sector, there is already a project for constructing a medium-sized power station and there is interest in purchasing Brazilian equipment. The Brazilian trade mission also studied possibilities of importing Chinese products to reduce the trade deficit that is approaching \$80 million. Importable goods have been identified mainly in the chemical and pharmaceutical industry, as well as in the machinery industry. For this purpose the Chinese government is interested in eventually establishing a trade office in Rio de Janeiro and another in Sao Paulo to coordinate commercial exchange. For the Brazilian part, Mario Garnero announced that BRASILINVEST

intends to open an office for the same purpose in Peking by September of this year. Imports from China will be increased significantly and, according to understandings, Brazil may act as an entrepot for placing goods in other markets.

In 1978-79 trade increased by 75 percent and the trade account, which is now \$180 million, may reach \$400 million by the end of this year. During the next 4 years two-way trade should be between \$750 million and \$1 billion.

The BRASILINVEST president announced that a trade mission of Brazilian businessmen will visit Mozambique starting 16 November, and possibly broaden contacts with other African countries.

Marcelo GOMES, acting as president of the Forum of the Americas, invited the Foreign Affairs Minister to preside at the opening session of the Symposium of Alternative Energy Sources to be held in September in Sao Paulo in conjunction with the Fair of Brazilian Products of equipment for alternative energy. The event will have the support of the OAS and the participation of 500 businessmen of the hemisphere and 11 ministers of state of the economic bloc.

Finally, the businessman expressed his satisfaction with the support he has been receiving from the Itamarati (Brazilian Foreign Affairs Ministry) trade promotion division and Brazilian embassies abroad in the vigorous drive to increase our exports.

#### Vice President Plans Trip

1001 Paulo O ESTADO DE SAO PAULO in Portuguese 72 10-9 80 p. 11

(Trans) Vice President Aureliano Chaves may make an official visit to China by the end of this year, as revealed yesterday by Chinese diplomatic sources, for whom such a trip will represent another milestone in relations between the two countries. It was also reported that the possibilities are being studied of installing Brazilian consulates in Shanghai and Canton, with counterpart Chinese consulates in Sao Paulo and Rio de Janeiro. At the very least, it is assumed that trade offices will be established in those cities very soon.

Vice President Aureliano Chaves' visit is part of a common strategy that may fundamentally change the existing state of relations between the two countries, mainly in the trade area. Some time ago China became an important trading partner for Brazil, and Chinese sources even mention the Brazilian requests last year, which were promptly complied with, for China to increase its petroleum exports to Brazil, which went from about 20,000 to over 30,000 barrels daily.

It is predicted that trade between the two countries will reach \$1 billion in less than 5 years, which would represent an increase of more than 150 percent relative to what is forecast for 1980 and over 300 percent in relation

to 1979, when these figures were \$400,000 and \$300,000 [as published; \$400 million and \$300 million?], respectively. The total of \$500,000 [as published; \$500 million?] forecast last year to be reached in 5 years will certainly be exceeded before the end of 1981 and petroleum should have an important share of this total.

The Chinese sources consulted about development of these new relations believe, however, that some details have yet to be worked out. Although regarding diplomatic relations between the two countries now as very satisfactory, these sources feel that some effort should be made on Brazil's part to eliminate some of the red tape that is hindering an even better and broader trade relationship. They also mention tariff problems, although agreeing that a solution in this area would not be easy, despite the preferential treatment Chinese corporations will give to Brazilian products by order of the government itself, which should also be done by Brazil.

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## BRAZIL

### WIRELESS MINISTRY DENIES SOUTH ATLANTIC PACT WITH ARGENTINA

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 20 Jun 60 p 5

(Article by Carlos Cande: "South Atlantic Pact Denied")

(LHASA) Brasilia--Itamaraty [Foreign Affairs Ministry] yesterday emphatically denied a report that Brazil and Argentina are getting ready to sign a South Atlantic pact. The ministry's spokesman, Bernardo Pericás, discreetly disparaged the source of the report, calling it "very poorly informed." And he cited statements by the foreign affairs and navy ministers formally denying such a possibility. Pericás specifically mentioned a statement by Foreign Affairs Minister Saraiva Guerreiro in Buenos Aires recently in which he once again denied that Brazil had such intentions.

The Itamaraty spokesman commented on the report published yesterday by a Sao Paulo newspaper, saying: "I read it and did not understand it. It seems to me that this report is terribly confused and yet worse that would have made the statement attributed to it is a very poorly informed source. Such a pact is not now being and never was considered by the Brazilian government. There have been many statements on the subject, particularly by the foreign affairs and navy ministers. The article or the source shows confusion between cooperation and joint naval maneuvers by Latin American navies, which are common and numerous. And there is no relationship between the two."

In private conversation, some Brazilian diplomats yesterday said they were astonished at the week's delay in issuing a denial of this sort. Before Minister Saraiva Guerreiro's visit to the five countries of southern Africa, various Itamaraty specialists in the subject fully expected a report of this type during the foreign affairs minister's stay in Africa. The visit had the precise purpose of strengthening Brazil's political and economic relations with some key countries of what is now the diplomatically most important region of Africa. And few reports could have irritated Black African nations, especially those Guerreiro visited, as much as that of Brazil being involved in a South Atlantic pact.

A pact in that area, besides naturally including Argentina and Uruguay, would not have left out South Africa, if only because of its geographical



## BRAZIL

### EMPLOYER REAGENTS TAKING FAVOR WITH BUSINESSMEN

BRASILIA SAMUEL BRACILIERE in Portuguese 27 Jun 80 p 6

(Text) It was not bad timing on Planning Minister Delfino Netto's part to launch in recent weeks an offensive aimed at businessmen, apparently in an effort to restore confidence in current economic policy. It was an opportunistic move indeed--on the eve of the nation's reaching the magic level of 100 percent (100 percent) inflation--which the planning minister is trying to drive out by decoupling it--the semiannual survey of the EXAME magazine "Exame-Ativa Favela" shows a significant loss of prestige by the Figueiredo government. Even Delfino himself, who 6 months ago received a "very good" or "good" rating from 67 percent of the businessmen polled, did not escape the erosion.

(Adding) the first 340 replies, received through 20 June, the Figueiredo government, as seen in Table 1, was rated "fair" by 57.6 percent of those answering the questionnaire and "excellent" or "good" by 32.4 percent, compared to 46.7 percent 6 months ago and 47.7 percent 1 year ago. It is even less welcome for the government to learn that 19.8 percent of the replies characterize its performance as "bad" or "very bad," practically doubling the negative percentage of 6 months ago.

### Credibility

The failure, crisis and at least, of anti-inflationary policy--with all its consequences--seems to be the basis for current pessimism in business circles. Even Delfino, in a recent interview with O ESTADO DE SAO PAULO, acknowledged that "credibility" is a major matter and that "as long as the results don't appear, there is no basis for credibility." For this very reason he must view as only natural the current modest support for his performance: only 18.5 percent rate him excellent or good, a little more than half his previous rating 6 months ago (see Table 2). Even more serious: the proportion of those interviewed who characterized his performance as bad or very bad has quadrupled in 6 months, from 5 percent to 20.5 percent, while his "fair" rating increased from 25.5 percent to 32.2 percent.

Curiously, a significant portion of businessmen, who about 1 year ago were lauding youth as the best way to fight inflation (in a proportion of 67.4

persons contacted last 15 personally and were giving credit with the willingness  
usually expressed by the then Planning Minister Mario Henrique Simoesen, today  
and today (commercial) distinction between Gullin's economic policy and that  
of the government.

But 60.3 percent of those who responded to the survey still prefer  
Gullin's guidelines that is Simoesen, while only 16.4 percent support the  
opposite view. Gullin's support (certainly) due to his style, since 40.8 per-  
cent of the replies are in difference between the current policy and the  
previous one. Simoesen's support among company presidents (32.7 percent of the  
respondents) in the multinational companies and the large firms of Rio de  
Janeiro and Sao Paulo.

The support for Simoesen's economic line comes from businessmen headquartered in Parana and  
Minas Gerais and, more precisely, from the civil construction sector.

Gullin's case:

Given the variability of the figures in the extreme, it can be said that Neves  
and Euzenbio (former Chief of Staff) considered the least popular among businessmen  
and the politicians in the latest "Panel," that the least prestige. In  
fact, the "bad" and "very bad" marks, which were 73.6 percent 6 months ago,  
increased to 81.1 percentage points, hitting 78.7 percent. Meanwhile, the "good"  
and "very good" (percent) "excellent" and "good" ratings, dropping his grades  
also in the last time around.

Among the 100 provincial Minas Gerais equilibrium, Industry and Commerce  
Minister, Simoesen's grades pointed at the two extremes. He received more  
"bad" and "very bad" marks (33.8 percent compared to 10.1 percent 6 months  
ago) and "excellent" and the only minister of the economic team who rose  
in the "excellent" and "good," going from 24.8 percent in December to  
31.1 percent now. He also gives a "bad" rating by 42.1 percent of those  
contacted (from 33.8 percent in the previous August).

Simoesen's case, however, and interviewable with Simoesen, in the 41-  
year-old, from Simoesen and multinational, small and large firms as  
well, pointing the advantages and his involvement sympathetic to foreign  
investments. In the case of FOMENTO (National Economic Program) -  
affairs the business of Brazilian businessmen.

Gullin's case:

Among the 100 provincial Minas Gerais Equilibrium (Industry and Commerce  
Minister) - the 100 from that of an, except Minister Carlos Caldeira, the decision  
of multinational companies managers, most of whom reported reservations about  
the government's policy. He had no better luck among Brazilian  
companies, which reported at the restrictive credit policy, which they  
considered too tight. The "excellent" and "good" ratings are in sharp  
contrast with the support received by his predecessor, Carlos Simoesen,  
in December.

Beyond the disfavor arising from merely being part of the team, the [Rio Doce] Valley case weighed heavily against Calveas. It is a financial scandal that has not yet been conclusively settled and from which his reputation has suffered badly. That would explain the harsh business judgment against a minister who has been in office for only a short time. Among those answering the "Panel" questionnaire, 49.1 percent considered his performance bad or very bad, whereas 40.4 percent thought it was "fair."

While the labor minister's reputation was already badly tarnished 6 months ago due to the timing of the labor movement--really a result of the political liberalization process--his "excellent or good" rating has now dropped to 3.5 percent, while the unfavorable "bad" or "very bad" rating added up to 96.5 percent of those replying to the survey, compared to 34.4 percent in an earlier month after the controversial wage increases went into effect. The majority (61.7 percent), however, still maintain his performance "fair," which is the same percentage as during the previous survey.

the 1971 survey (approximately 45,000) it is not apparent in the public state survey. The respondents tell of price-control policy, in effect, protected by the anonymity assured by the "family" confidentiality. 81.7 percent of the respondents consider the unrepresented persons in the 1971 survey "other" than "black" people (25,140), while only 18.4 percent think it is correct. The similar figures for the respective percentages were 88.4 percent and 11.6 percent.

## The Government's Brady - Fall

(Evaluation of the Riquelme government as a whole, compared to the grades given by businessmen 6 months ago and 1 year ago; in percentages)

(1) EXCELENTE E BOM			(2) REGULAR			(3) RUTIN E PESSIMO		
(4)	(5)	(6)	(4)	(5)	(6)	(4)	(5)	(6)
Hoje	HA 6 meses	HA 1 ano	Hoje	HA 6 meses	HA 1 ano	Hoje	HA 6 meses	HA 1 ano
22.9	40.5	47.7	57.8	49.7	46.5	19.8	9.8	5.8

## Widespread Loss of Favor to Cabinet Ministers

(The judgment of cabinet ministers' performance, according to business executives, and comparison with grades 6 months and 1 year ago; in percentages)

(1) EXCELENTE E BOM			(2) REGULAR			(3) RUTIN E PESSIMO		
(4)	(5)	(6)	(4)	(5)	(6)	(4)	(5)	(6)
Hoje	HA 6 meses	HA 1 ano	Hoje	HA 6 meses	HA 1 ano	Hoje	HA 6 meses	HA 1 ano
22.2	40.7	46.5	57.7	51.4	51.5	19.8	9.8	5.8
22.2	40.7	46.5	57.7	51.4	51.5	19.8	9.8	5.8
22.2	40.7	46.5	57.7	51.4	51.5	19.8	9.8	5.8
22.2	40.7	46.5	57.7	51.4	51.5	19.8	9.8	5.8
22.2	40.7	46.5	57.7	51.4	51.5	19.8	9.8	5.8
22.2	40.7	46.5	57.7	51.4	51.5	19.8	9.8	5.8
22.2	40.7	46.5	57.7	51.4	51.5	19.8	9.8	5.8
22.2	40.7	46.5	57.7	51.4	51.5	19.8	9.8	5.8
22.2	40.7	46.5	57.7	51.4	51.5	19.8	9.8	5.8
22.2	40.7	46.5	57.7	51.4	51.5	19.8	9.8	5.8

As the new cabinet ministers in January 1960, his rating is compared with his performance.

Source: IBAM, "Executive Panel"

As:

- |                      |                 |
|----------------------|-----------------|
| 1. Executive Panel   | 1. Today        |
| 2. Fall              | 2. 6 Months ago |
| 3. 6 Months (6/6/59) | 3. 1 Year ago   |

and a new cabinet minister who took the planning minister's place to reverse at least trends, within a period they estimate at no more than 6 months, although Jullian Juppé insists that "no one has set a deadline for anyone, since cabinet ministers are dismissed at a mere act of the president's will."



## Theory and Practice

Setting deadlines, however, should not be taken too seriously, inasmuch as Minister Cesar Cals remains secure, despite a vote of 70.8 percent in opposition to energy policy. And it is not known whether the 29.2 percent of the respondents who thought this policy was proper are greater in number than 6 months ago, when this aspect of government policy was not included in the survey.

Aside from exchange policy, which had majority approval, the highest percentage of favorable votes was received by wage policy: 39.3 percent of the business executives gave it a favorable rating, while 60.7 percent considered it mistaken. In any event, there is a clear divergence between the policy change—announced in the November 1979 wage increases--and its practical application. In December, 61.3 percent of those who answered the questionnaire responded favorably, compared to 38.7 percent who disagreed. Until, the situation is reversed.

Finally, businessmen are opposed to current credit policy (67.4 percent versus 32.6 percent). They have been particularly unhappy about freezing interest rates and about restrictions on loans and credit in general.

END

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# IBGE SCORES CRITERIA USED TO MEASURE UNEMPLOYMENT

Rio de Janeiro O GLOBO in Portuguese 30 Jun 80 p 18

[Text] A study prepared by the Department of Social Studies and Indicators of the IBGE [Brazilian Institute of Geography and Statistics] Foundation questions the criteria currently used in Brazil to measure unemployment and shows that between 1973 and 1976, when the economy's annual rate of growth fell from 11 percent to 8 percent, the annual rate of employment growth fell nationwide from 3.6 percent to 1.9 percent.

"Social Indicators Report for 1979," prepared by a staff of 45 persons, refers mainly, in the matter of employment, to the criteria used by the National Sample Survey of Households (PNAD) and finds that "analysis of the rate of open unemployment does not provide any better understanding of the Brazilian situation."

## Work At Any Cost

The report's authors note that in developed countries workers can in fact remain unemployed--that is, without any occupation, well or poorly paid--for a longer period of time because they benefit from compensating mechanisms such as unemployment assistance.

In Brazil, "it is practically impossible for most of the work force to remain unemployed for even a relatively brief period,"

This is one of the IBGE experts try to explain why "rates of open unemployment have remained low and almost unchanged," even during periods of a slackening economy, or, as they put it, "during periods of differentiated performances by the productive system."

And they note that "the low rates of open unemployment reported by the PNAD can only represent a moment of waiting for employment--a passage from one job to another or hunting for one's first job," without taking into account other data that would permit measuring the nation's real employment situation.

Hence, they try to establish a criterion of unemployment more closely linked with satisfying the worker's needs: "If it is felt that the essential purpose of work is to provide social subsistence for the worker, this clearly cannot be left out of consideration in evaluating his employment and income conditions."

But the report asserts that currently the reverse occurs: "The predominant tendency is to classify a priori as underemployed (hence, not unemployed) manual labor not working for a wage: odd-job workers, self-employed persons, domestic workers who make up the so-called informal labor market in the urban area, and workers associated with the system of the small family farm in the rural area."

"The obvious and undeniable fact cannot be denied that many of such persons do not even have what could be called minimal conditions of survival," and that in many cases the opportunity to work full-time is considered an advantage. The report notes that, according to PNAD data, 46.6 percent of self-employed workers and 61 percent of unpaid family members would like to work full time at the minimum wage (the question "would you like to work full time at the minimum wage?" was not asked of employers, even though some of them very rarely pay less than the minimum).

#### Lowest Wages

According to the 1986 report, nearly half of the 18.9 million persons employed nationwide in 1986 were being paid the minimum wage or less. Most of these persons are concentrated in the South and Northeast regions. More than 84 percent of persons without any income whatever are to be found in these same regions.

As the study points out, "Nor can it be concluded that, simply on the basis of income, living conditions are better for the urban population than for those in the countryside."

According to the report's authors, this larger concentration of employed persons with low income in the South and Northeast regions and of persons with higher incomes in PNAD regions I and II (Rio de Janeiro and São Paulo) "is associated in large measure with regional specialization in production; that is, in regions where the agricultural sector is relatively more important, most labor absorption takes place at very low rates of pay, while in those where industrial production is concentrated, absorbed labor is better paid."

"It can also be said that unpaid workers are essentially associated with the small rural production unit based upon family labor. Available data indicate that most of such persons were concentrated in the South and Northeast, where the proportion of small farms is high."

## Employers and Employees

The report also questions the criteria adopted by the PNAD to classify the population as employees or employers, pointing out that "the statistical survey does not distinguish the large proprietor who has a very great number of employees at his disposal from the small producer who has only one 'paid' assistant." According to the authors, "the small employer would be in a situation much closer to that of the self-employed worker (the *meio-proletário* and the small rural producer). Beyond these categories, there remain the family members who essentially are the manpower used by small rural producers."

According to the report, in Rio de Janeiro and São Paulo over 80 percent of economically active persons are classified as employees. "For their part, the proportion of unpaid family members in the region is irrelevant, which is associated with extending capitalist relations of employment to the countryside."

In Minas, 85 percent of the work force are employees. In the South and Northeast, employees represent 50 percent and 45 percent, respectively, of working persons. "What is striking, however, is the large share of unpaid family members and self-employed workers who are associated with the marked presence of the small farm in the agrarian structure of these regions."

## Hours of Work

According to indicators of hours worked, 55.6 percent of the men and 22.1 percent of the women work 49 hours or more per week; that is, more than what is considered a normal work week of 48 hours. One-third of them have to work more than 48 hours in order to have an income equivalent to the minimum wage or less and almost as many work longer hours in order to make between two and two times the minimum wage. "That is, in order to subsist, these persons have to work longer than what is considered normal."

This situation is more extreme in the South and Northeast, which, besides having over half the workers who work beyond the usual hours--about 6.4 million persons--also have 73 percent of the persons working long hours and making less than 2 times the minimum wage.

## ANTHONY'S PRATHE RICE-GROWING PROJECT IN GOIAS

Rev. Sr. Janelino MANCEITE In Portuguese 3 Jul 80 pp 108-111

(Article by Joao Martins: "Rio Formoso Project: Revolution in Agriculture")

[Text: "Brazil is not built in Brasilia, or in Rio, or in Sao Paulo: Brazil is built here," Planning Minister Delfim Netto said enthusiastically, after flying over the Rio Formoso Project, a pioneering venture of Goias Governor Ary Valadão that in only 8 months, as a first step, brought about rice planting and harvesting on 2,500 hectares of previously undeveloped land in the Araguaia river hydrographic basin. By the end of this year the project will be expanded to 15,000 hectares. Eventually it will cover a total area of 34,000 hectares for planting and 31,000 hectares for canals, dikes, reservoirs, industry and other supporting activities of the project. In the first harvest the yield was about 4.5 tons of rice per hectare. And soon, thanks to the Rio Formoso Project, Goias can become the leading rice-producing state in Brazil.

The Araguaia River hydrographic basin comprises, in Goias alone, 9.5 million hectares of fertile, flat land subject to flooding less than 2 meters deep from December to April each year. The Formoso River is a tributary of the Araguaia River. In the region where the two rivers come together, the Goias state government, in constructing the first stage of the project, installed a main drainage canal 65 meters wide and about 16 kilometers long, as well as 30 kilometers of irrigation canals and about 100 kilometers of secondary irrigation and drainage canals. Planting and fertilizing are being done by airplanes. At the moment, the project has 5 crop-dusters, 1 transport plane, 200 machines and 600 employees. Every day since 7 May 3,000 sacks of rice have been harvested.

At the peak of construction activity there will be 500 machines and 1,000 men employed as work needed to complete the project, which will generate 5,000 jobs. And although the project will soon provide a 20 percent increase in present Goias rice production, its tillable area represents only 1 percent of irrigable land available in the Araguaia Valley, including parts of Mato Grosso and Para. Even so, it is the largest continuous area planted to irrigated rice in the world.

On 7 June Governor Art Valadão, accompanied by some allies, visited the São Francisco Project and was lost there to Hernando Barrios, Paraguayan agriculture minister, Senators Leonardo Junior, João Lucas, Cunha Lima and Dirceu Cardoso and the Fluminense military commandant, Gen Heitor de Almeida.

Explaining in detail what was being done, he said the project is divided into three stages. He added that after cropdusters spread the fertilizer, machines and tractors work the fertilizer into the soil. The fertilized area then receives a layer of water about 10 centimeters deep and the seeds are planted under the water from the air. Four days later the area is drained, which oxygenates the whole planted area. Fifteen days after that, the land is again flooded with a layer of water, which becomes deeper as the rice grows taller. He went on to say that, in his opinion, the federal government should take responsibility for irrigating the Araguaia Valley, since one-fifth of this area (500,000 hectares) would be enough to supply domestic rice consumption and still leave enough for export. If domestic production of rice, and even other grains, were concentrated in this fertile valley, we would be able to release areas in other parts of the country for local production of alcohol.

Preservation of the region's ecology is another important aspect of the project. No proper control of flooding and placement of large reservoirs, dams and levees there has already become fantastically more abundant, hazardous, offering an insurance project that would have an economic return as great as that from rice.

Planning and Coordination Secretary Otton Nacimento Jr. in turn, said "The Art Valadão government intends to show, in carrying out this work, the complete feasibility of large-scale projects. It would give its example to be followed by those who are willing to undertake the decisive battle for national liberation in agricultural products and even provide an exportable surplus."

Coordination Committee will be responsible for selling the processed and finished rice products. The main artery for shipping produce is now the BR-060 highway, but soon, in keeping with current policy for saving fuel, transport of rice to the Araguaia River will be the ultimate solution. This highway is equivalent, in freight transport capacity, to 30 paved highways and, moreover, makes the Araguaia Valley region much more accessible to the north Atlantic ports for exporting its future surplus production.

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## CHILE

### BRIEFS

**ITALIAN TRADE MISSION**--A mission of Italian industrialists has arrived in Chile to study ways to increase bilateral trade. During their stay in Santiago the members of the mission will meet with Chilean officials. [PY081915 Santiago Chile Domestic Service in Spanish 1100 GMT 9 Jul 80]

**BRITISH TRADE MISSION**--Members of a British mission that is visiting Chile have noted that Chile has been able to overcome a bad economic situation with few resources. The British mission today held a meeting with the president of the Commerce Association, during which they discussed proposals to increase bilateral trade. The head of the mission noted that the members of the mission are impressed with the situation of the Chilean economy. [PY081915 Santiago Chile Domestic Service in Spanish 1730 GMT 5 Jul 80]

**CHILEAN POLICE ILLEGALLY**--The Chilean police forces managed to dislodge 10 persons, 16 of which were arrested, who had illegally taken over 11,000 square meters of land in Santiago City which was destined for the construction of the Pulamuel Industrial Park. [PY011926 Santiago Chile Domestic Service in Spanish 1100 GMT 1 Jul 80]

**CHILEAN ARMS EXPERTS**--Santiago, Chile, 1 Jul (AFP)--Experts of the Chilean Arms Central-Industrial Plant, which is directed by Lt Col Ernesto Gomez Andujar, have reported that Chile recently became the first gunpowder exporter of the Latin American Southern Cone. The Chilean gunpowder is used for the production of shells of various caliber artillery. [PY011903 Chile AFP in Spanish 0905 GMT 1 Jul 80]

**CONSUMER PRICE INDEX FIGURES**--Sergio Cuaparro, director of the National Statistics Institute, has reported that the consumer price index for the month of June was 1.3 percent, which represents the lowest amount for the month of June since 1964. Inflation during the first 6 months of the year reached 14.2 percent, which is lower than the 15.2 percent registered during the same period during 1979. [PY012305 Santiago Chile Domestic Service in Spanish 1700 GMT 2 Jul 80]

## CLANDESTINE ANTI-M-19 GROUP ANNOUNCED

Bogota EL ESPECTADOR in Spanish 26 May 80 Sec A p 19

(Text) The creation of the "Jose Raquel Mercado Brigade" designed to combat M-19 with the use of all possible means was announced, through a leaflet that was widely distributed among the news media.

The leaflet in question is entitled "Blood and Fire," appearing symbolically in red and yellow. It states that this brigade was made up of a "group representing the working class, for the sole purpose of exterminating, one by one, all those who attempt to establish chaos and a reign of terror with alleged revolutionary concepts."

It goes on to state that the organization will strive to "isolate and remove from the national scene these anarchistic and opportunistic pseudo-revolutionaries who, absorbing foreign ideologies, are attempting to force the country along the fascist paths of revisionism, and block the true revolutionary process." It subsequently makes the following comments:

"Revisionism, with its actions, serves the enemies of the people, because it gives them the values that they need to unleash and justify the most brutal repression." In view of this, we can see what the M-19's reactionary and anarchistic "ventures" represent. They have created illusions among the mass sectors about the change that these masked gangs will make. What was the reason for the government's unleashing of its brutal, repressive and fascist apparatus last year? Was it not the anti-revolutionary actions of M-19? Hence, the M-19 actions, rather than advancing the revolution, have caused it a setback; and, rather than strengthening it, have made it weak."

It claims that the goals sought by M-19 are three: To enhance its political influence, under a false revolutionary image; to destabilize and create inter-nal problems in the country, so that Cuba and Russia may thereby progress with their plans to infiltrate the anti-imperialist mass movements; and to disorganize the labor movement, by creating false hopes." It concludes by saying: "Therefore, let us repel the criminal actions of the M-19 fascist gang."

END  
1980-1018

## TRENDS IN VARIOUS PRESIDENTIAL RUFFLES

World El TIEMPO in Spanish 27 May 80 Sec. A p. 6

(CONT) Whereas, in the Liberal Party, a "pruning" (largely voluntary in nature) has begun to occur in the list of potential presidential candidates, in the Conservative Party the "spread" is widening. Thus, the strong man is still Belandier Betancur.

The list in the Liberal Party has been decreasing, and of the 17 or 18 original names, two or three have already been withdrawn voluntarily, in the light of the nation's political realities. Others may soon follow suit.

First Dr Abelardo Torres Benavides, and now Dr Hernando Duran Sussan, have overtly withdrawn their names as presidential choices, in order to help "prune down" the list, as the latter put it.

And Dr Jorge Mario Eastman (who wants to join the nominating body) has said that, insofar as presidential candidacies are concerned, he can wait until the Year 2012.

The articles published by EL TIEMPO have contributed to this "pruning" effort, as President Turbay called it last week, or "eliminations," as Senator Hector Echeverri Correa termed it. Several of those nominated are still missing, and it is possible that the list will continue to decline...or to be "cleared," according to Augusto Espinosa V.

Liberal politicians queried by this newspaper are in agreement, not only on the "pruning," but also on having the final options not exceed four or five; for that would enable people to choose more easily. Anything else would be "madness," as Senator Augusto Espinosa Valderrama has remarked.

Espinosa and Mayor Duran Sussan agree exactly on that "ceiling," while the process of "elimination" continues, and while mechanisms are sought for a popular vote on the final selection.

The "takeoff" in the form of a presidential debate (which already has the go-ahead from the president) will probably not take place until July, when

Congress open. The Liberal Division cited on the list will surely decide on their support in the coming by the second half of this year.

of course. In this entire process the names of Lleras Restrepo and Lopez Michelsen, who are being considered by groups of Colombians, cannot be left out. This is not to deny that there are, in the Liberal Party (as was the case in the last debate) some spokesmen expressing opposition to the reelection of presidents.

#### The Conservative "Spread"

The only newspaper OCCIDENTE was responsible for expanding the Conservative "spread" with many names; because, in the opinion of its editors, "it is not good nor beneficial" for that party to "take refuge" in the name of Belisario Betancur alone.

That newspaper commented: "We are mentioning here as possible candidates individuals who have ranked in the forefront of the leaders by virtue of their excellent qualities and their outstanding service. We are obviously referring to Mrs. Gomez Hurtado, Pastrana and Betancur, concerning whom there is unanimous consensus as to their ability to serve as chief executive. And we added to them the names of Carlos Holguin Sardi, Rodrigo Marin Bernal, Américo García Scheverria, Ignacio Velez Escobar and Jaime Garcia Parra, all of whom have proven successfully that they excel in public service."

And, to complete the list of 24, OCCIDENTE remarks: "There would be added to the foregoing list the names of other illustrious party members, such as Miguel Escobar Mendez, Gabriel Melo Guevara, Humberto Gonzalez Narvaez, Hugo Palacios Mejia, Fernando Londoño y Londoño, Raimundo Emiliani Roman, Juan Gonzalo Restrepo, Rodrigo Uribe Echavarría, Hernán Jaramillo Ocampo, Rodrigo Livrenti, Miguel Santamaría, Guillermo Velez Ureta, Carlos Holguin Holguin, Arturo Fernandez de Arco and Mariano Ospina Hernandez, who could, with complete commitment and honor, put across their chest the tricolor of the Colombian flag when the nation calls upon them for its loftiest position of command and service."

Despite this extensive list, in the Conservative Party the name of Belisario Betancur still persists as that of the candidate for the 1982 elections. At the moment, that party has made a kind of truce in the bitter internal division; the union movement is therefore insisting on a change in the governability of Ferdinandina, and is assigning responsibility in the event of an office.

#### DEALING WITH TURKEY

The new heads of the Ospina-Pastrana sector will visit President Turbay Ayala at 1100 hours today, to offer him greetings and hold a dialog with him on various current issues. After Guillermo Angulo Gomez entered the cabinet, Ignacio Valencia Lopez was appointed chairman of the board of directors

and Carlos Martinez Simahan and Tulio Caevas were named vice-chairmen. The union movement is confronting some internal problems. For example, Senator Carlos Augusto Noriega disassociated himself from that board. Furthermore, in Cundinamarca there has been an attempt to relegate the spokesmen for the "Casa Ospina" to a secondary status; something which was in evidence at the regional convention which formed a new board of directors.

As everyone knows, former President Pastrana traveled abroad for a month, and may have met in Germany with Dona Bertha de Ospina. Pastrana intended to stay another 2 weeks, but it was learned that he would not be taking the cruise of the Greek islands originally planned.

Meanwhile, the Advisory Board is being temporarily headed by Senator Guillermo Julia Orta, replacing the new minister of Justice, Dr. Fello Andrade Manrique. The names of Rodrigo Marin Bernal and Miguel Escobar Mender are being mentioned for the actual chairmanship. This board will meet with the goal of staying shortly.

#### Liberal Activity

Yesterday, former President Carlos Lleras Restrepo went to Cali and attended the ceremony marking the turnover of the "El Refugio" estate (in the jurisdiction of Popayan) to the International Center of Tropical Agriculture by the Foundation for Higher Education. In his weekly publication, he wrote on political affairs (the Liberal Convention process), as has been reported elsewhere.

This Friday, in Cartagena, former President Alfonso Lopez Michelsen will install the annual assembly of the ANIF (National Association of Financial Institutions), an occasion on which Dr. Solisario Betancur will also speak. Arriving in the country yesterday as a special guest was the former president of Chile, Eduardo Frei, who called for solidarity among all his fellow citizens on behalf of a return to democracy. Frei reiterated the fact that he is overtly and categorically opposed to General Pinochet's regime.

On Thursday, at the Hilton Hotel in Bogota, there will be a tribute to the Valle del Cauca senator, Carlos Holmes Trujillo, a function that has been called a "national festival of democracy." It will be attended by political leaders from various departments.

In Narina (according to reports from correspondent Edison Parra) negotiations for Liberal unity are under way between the sectors headed by Minister Laureano Alberto Arellano and the new governor, Arcadio Sanchez Urdin. Last year, the two leaders had an intense confrontation in Congress; but now they seem willing to lay down their weapons. If the negotiations "solidify," Arellano will attend Sanchez' inauguration in Pasto next Monday.

From 18 to 20 June, in the Capitol, there will be a forum on the "Return to the State of Law," organized by the Popular Liberal Union. The forum will

be opened by Senator Roberto Arenas Benítez, and the first speaker, Abelardo Foyers Bona Iden, will discuss the topic "Biography of Article 121." Former Presidents Lopez and Pástrana have been invited, as well as former candidates Gomez, Valencia Tovar and Belandier, opposition spokesmen Gilberto Vieira and Gerardo Molina, and other leaders.

Mosquera Supports Dr. Eastman

Before travelling abroad, the head of the DLN (National Liberal Directorate), Victor Mosquera Chaves, sent a letter to Senator Luis Guillermo Veloz, in which he repudiated recent statements made by Jorge Mario Eastman. The entire letter is related to the question of the nominating body; because, at one time, Eastman called Veloz, who is backing Mosquera as a candidate as "errand-boy."

In his message to Veloz, Mosquera states: "I have never witnessed anything as extravagant as what is occurring in the unusual dispute over the nominating body." Its text reads as follows:

"My dear Luis Guillermo:

"I have not been able to inform my colleagues in the National Liberal Directorate, except for Alvaro Uribe Rueda, of your letter dated 19 May which I received yesterday.

"My long experience in political affairs has taught me many things, including how to patiently withstand the excesses, lack of understanding, injustice and ingratitude of many fellow party members. But I have really never witnessed anything as extravagant as what is occurring in the unusual dispute over the nominating body.

"As you know, I have not run as a candidate for that position, or any other. I have not engaged in a personal campaign to secure my election.

"But obviously, I could not prevent some friends, such as you, from doing so.

"This has displeased Dr. Eastman far more than is reasonable. Not only has he set forth, armed, against the generations preceding his own, and against the names which have something to do with national history, but he has, indignantly, decided to describe in a pejorative manner the important task that you performed during the last election campaign as the DLN's honorary publicity and press secretary.

"Thanks to you, the Liberal directors have achieved closer association with the publicity organs and a better understanding of the party's ideas and goals, as one responsible for the state leadership.



"I think that regarding someone who has performed such a productive mission as a mere 'errand-boy' is really inexplicable in one who has brilliantly practiced the profession of a journalist and has proven to have great dedication to spiritual values.

"I never imagined that spontaneous adhesion to my possible candidacy for membership in the nominating body could evoke such a bitter reaction from colleagues and friends whom I have always respected and admired.

"I sincerely regret that you are the first victim of a battle being waged unnecessarily, which has few precedents in our republican existence.

"I reiterate to you my thanks and an expression of my cordial friendship.

"Victor Mosquera Chaux, Chairman."

#### Criticism of Echandia

The Medellin Conservative newspaper EL COLOMBIANO devoted an editorial to a refutation of recent statements made by Master Dario Echandia, who declared that the political solution at present in the world is socialism. The following are excerpts from this editorial:

"A few days ago, Dr Dario Echandia, the legal conscience of the Liberal Party, told a group of editors from the capital of the republic that the country has no alternative other than socialism, and that he has been a socialist since his earliest age. That statement is a little belated; because for many years Dr Echandia has held the most lofty positions in public office and the leadership of his party, carefully concealing the secret of his true political convictions.

"Now, the Master, who has been a teacher, magistrate, minister and congressman, voices his regret, and laments the fact that he has been the guide of two generations of Liberals; because Dr Echandia is respected and honored by the Conservatives as an example of austerity, integrity, loyalty to his ideas and steadfastness in his principles.

"We have our doubts about the efficacy of socialism to solve the problems of the modern world...Modern history records failures of socialism in its pages. After over 20 years of total domination over Cuba, Fidel Castro has a dissatisfied country, filled with disappointments, and with a massive exodus of people trained by the dictatorship...

"In his 80 years of reflection and study, Master Echandia has not found any reasons to defend socialism. Only now, toward the end of his praiseworthy life, he has engaged in confiding his true convictions to political editors. And, with his style as a brilliant expounder, he asks, with disillusionment: 'Liberalism, for what?' A sad example of disappointment in a prominent man who refused to be sincere. This means that the Liberal movement was without a legal conscience at the time when it was most needed."

2909

CSO: 3010

LIBERAL CANDIDATES DEBATE 'FULL STEAM AHEAD'

Bogota EL TIEMPO in Spanish 11 Jun 80 Sec A p 6

[Text] Yesterday, the excitement about presidential candidacies continued. Liberal political circles and, while there were further introductions of members of that party, it was explained that, although there are reservations concerning Dr Virgilio Barco as a nominee, no attempt whatever is being made to form a "clique" or a "syndicate" against him.

In statements made to EL TIEMPO, Senator Enrique Pardo Parra listed four special qualifications that he thinks the Liberal candidate should have; and stated that he has a "preference based on reason" for Dr Carlos Lleras Restrepo.

Last night in Bucaramanga, Senator Luis Carlos Galan said that, after an extensive analysis, the "new Liberals" will establish their position in support of the presidential choice that will meet these three requirements: a really organized Liberal Party, a Congress committed to the nation and a candidate whose record is unobjectionable.

Alberto Santofimio Botero, for his part, remarked that Virgilio Barco is not the candidate of his choice and, in commenting on the submission of the latter as a nominee, said: "That smacks more of disaster than victory, because it is no way to launch a candidacy."

In Cali, the newspaper EL PUEBLO took a poll among 36 individuals, with these results: for Alfonso Lopez Michelsen, 16; for Carlos Lleras Restrepo, two; for Virgilio Barco, one; and for others, 17.

The Conservative newspapers featured on their front pages (and some in editorials as well) the nomination of Barco, with such headlines as these:

EL SIGLO: "Politicians reject Barco V.candidacy."

LA REPUBLICA: "Barco Vargas candidacy received with strong reservations."

LA PATRIA: "Barco candidacy seems 'foundered' but is still 'afloat.'"

OCCIDENTE: "Barco candidacy received with indifference."

On the other hand, Congressman Ernesto Lucena Quevedo (of the Santofimio line) disclosed that a sizable group of congressmen will submit a proposal for the selection of a candidate in two phases: first, a pre-selection of names; and later, a final selection, at a convention or in a popular vote.

#### Pardo Parra Comments

Senator Enrique Pardo Parra made the following statement to EL TIEMPO concerning current politics:

"EL TIEMPO's editorial the day before yesterday had the virtue of assigning the problem of the Liberal candidacy the seriousness that it deserves; because there are two ways of dealing with the matter: that of the frivolity of a spread which could be extended indefinitely, and that of real consideration for the interests of the nation and the Liberal Party. I prefer the latter.

"We can't deny the seriousness of the problems besetting us, both nationally and internationally: inflation, with its aftermath of acute social problems reflected in a constant threat to institutional stability; the world energy crisis, that is hitting us inexorably and helping to make our internal situation more critical; the widespread demoralization; the stifling bureaucracy, etc. All this, and the undeniable strength of the potential Conservative candidacy, demand special qualifications for the single Liberal candidacy. I would summarize them as follows:

"1. A proven ability as a statesman, and sufficient administrative experience, with a thorough understanding of the nation's problems;

"2. Irreproachable integrity;

"3. Energy, personal authority and the gift of leadership;

"4. A personal record of consistency and loyalty in his political conduct."

Pardo Parra added: "Of course, with the patronage mentality that has been destroying the party, some are mentioning how important it is to 'obtain votes.' I wonder: what votes? The captives ones? Those from the regional bosses' bureaucracy? Those of the political machine which misrepresents the nation's opinion? I am obviously in favor of holding a popular vote, with serious candidates such as those proposed by EL TIEMPO, but on the level of all social strata, not just with the political machine. When, in the last election, only 30 percent of the potential electorate voted, and only 16 percent of Liberals did so, can that be called a popular vote? And

are not the labor unions, the organized workers and the various social and economic sectors part of the nation?"

Senator Pardo Parra concluded by saying: "Personally, I think that the names cited by EL TIEMPO meet the qualifications that I have listed. And among that group, all the members of which are illustrious and first-rate, I have no reason to conceal my preference, based on reason, for former President Lleras Restrepo. Let the Liberals be truly consulted, and the problem will be solved."

#### There Are No Cliques

When asked yesterday by Caracol about the possible formation of a kind of syndicate to exclude Dr Barco as a candidate, Senator Carlos Holmes Trujillo remarked: "It is not true that this spread is intended to be or has set itself up as a syndicate to obstruct Barco. On the contrary, Mr Barco is one of the 14. Therefore, that spread could hardly set itself up as a syndicate opposing him, since he is one of its members. This is a journalistic interpretation that is not in keeping with the reality."

Senator Alberto Santofimio told the same radio network: "I shall not qualify nor disqualify Dr Barco;" although he explained that the latter is not the candidate of his preference. Santofimio remarked: "That (the qualifying) is a mission for the Colombian people, the voters and, among others, the people who want to learn about Dr Barco; because he has lived longer abroad than in Colombia."

Santofimio noted that Barco would be "the candidate of the large oligarchical press, which was what launched him."

#### Questioning of Former Presidents

In a dialogue with this newspaper, Congressman Ernesto Lucena Quevedo stated: "EL TIEMPO cannot confine the country to three names of potential candidates, because there are more capable people of the younger generation, and also because the country does not want Dr Lleras or Dr Lopez Michelsen reelected." He added: "Dr Barco has splendid qualifications, but he should put up a fight. Moreover, the important thing would be to ask former Presidents Lleras Restrepo and Lopez whether they are willing to subject themselves, first to a preselection, and later to a final selection as a presidential candidate. Would Lleras and Lopez subject themselves to such a procedure, along with the other pre-candidates? It would be a very good thing to find this out now."

#### Espinosa in Sogamoso

This Friday, Senator Augusto Espinosa Valderrama (nominated for the candidacy by Senator German Bula Hoyos) will travel to Sogamoso, at the invitation of

Liberal leaders Alvaro Gonzalez Santana, Alfonso Rosas Carrelo, Enrique Rincon Figueroa and Alfonso Camargo Chaparro.

On Friday night, Espinosa will hold a dialog with newsmen from Boyaca; and, at 1100 hours on Saturday, he will address a public gathering at the Sogamoso theater. On this occasion, Dr Espinosa Valderrama will make a thorough analysis of the politics of the Liberal Party, the pre-candidacies and the economic and social planks that he thinks the Liberal Party should offer in the forthcoming campaign.

#### Santofimio Controversy

A serious controversy occurred among Santofimio deputies in Ibague, as a result of the shuffle of the cabinet of Governor Miguel Merino, according to reports from correspondent Arnulfo Sanchez.

Deputy Jairo Rivera Morales stated, in Rioblanco Square, that the health minister, Alfonso Jaramillo Salazar, "is a demagog, who promised a waterworks system for the population, and did not keep his word."

Rivera's claims were badly received in the Jaramillo camp, headed by the minister's son, Deputy Guillermo Alfonso Jaramillo. In the latter's opinion, Rivera "went to do an errand at Rioblanco," involving what he termed "Dr Santofimio's clique."

#### Problems in Cordoba

Another governor with problems at present is that of Cordoba, Camilo Jimenez, from whom the Ospino-Pastrana sector withdrew support. This action was due to the fact that the governor appointed Lina Hernandez de Gomez as secretary of education, dissociating himself from the choice of three names which, according to the Ospino-Pastrana group itself, the sectional leader had requested of them.

#### Message Concerning Boyaca

Senator Rafael Barrero, filling in for Dr Ricardo Mendieta Rubiano, sent the following message to President Turbay and to the minister of government:

"Despite your kind offer of a change in the incidents that have been occurring in the government of Boyaca opposing the Liberal political movements which are against the governor, I regret to inform you that, with the ratification of the Boyaca cabinet in a plenary session, nothing was done other than to prolong the official persecution of which you are cognizant, and which has extremely serious features in our district. The same officials whom we charged with political bias in the last debate are still leading their employees and, what is worse, those whom the government removed just before the election to make them candidates for the Assembly have now been renamed to their former positions. We believe that we have fulfilled our

obligations to our party's government, and all that we can do is wait for our party to give an indication that political practices such as those which have been carried out in Boyaca are not acceptable in a government headed by a prominent Liberal, Rafael Barreto Buitrago, senator of the republic."

Dr Ricardo Mendieta also confirmed the fact that he is resigning from the position of ambassador to Paraguay, and will return to the country within 2 weeks.

#### Betancur Speaks

Dr Belisario Betancur, who is traveling to Huila this Thursday for a 3-day tour, told the Super network yesterday: "I do not aspire to another candidacy. I am acting as a candidate for the presidency of the republic. When mention is made in my party of other options, I shall be happy to receive them."

When asked whom he would like as a contender in the Liberal Party, Betancur remarked: "I am no prophet. I don't know what choice the Turbay movement will make, because I cannot even wonder about the Liberal Party. I cannot answer this; I would have to reply with another prophecy. From what I have heard from Liberal analysts such as Santofimio, Espinosa and Bula Hoyos, it is not a spread, but rather a single candidacy, that of Dr Virgilio Barco, who is my friend and whom I admire with deep devotion."



Virgilio Barco Vargas



Luis Carlos Galan

2909

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## COSTA RICA

### NATIONAL PROGRESS LEADER DISCUSSES UPCOMING ELECTION

San Jose LA REPUBLICA in Spanish 4 Jun 80 p 4

[Interview with Alvaro Apestegui, propaganda coordinator, executive committee member and founder of the National Progress Party, by Wilmer Murillo, time and place not given]

[Text] Alvaro Apestegui, propaganda coordinator, executive committee member and founder of the National Progress Party, a new element in Costa Rican politics, declares in this interview that his party will win the majority in the coming elections.

He recalls that in 1976 no one could have predicted that Rodrigo Carazo would be president of Costa Rica.

With regard to what can happen between now and 1982, he maintains that it is difficult to say, and that it will not be a simple arithmetic operation to answer this question. He says the party with the best solutions will win the next campaign.

[Question] What is National Progress?

[Answer] It is a new alternative to two political movements that were born in the heat of hatred, that feed on hatred, and try to use hatred to perpetuate themselves. There are youths among us who do not want to continue living on hatred; we believe in this alternative. National Progress is an alternative that puts the well-being of our country above all else. Just as Miguel Barzuna was never heard to advocate hatred in the past, no one will hear it now either. Anyone who wishes to join our ranks is welcome.

[Question] When does the National Progress Party plan to begin its political campaign?

[Answer] Our campaign will not be a conventional one. By that I mean that there will not be huge spending. We believe that it is time we learned to spend wisely, carefully and without waste. Campaigns should serve the goal of educating the people. It is important for the people to attain political

security, and we cannot promote anything but that. Thus, our campaign will basically consist of direct action on the electorate, the presentation of programs and solutions. We have already begun the campaign. These days we are proposing a reduction in the payment of the political debt from 2 percent to 1 percent. The rest of the money is to go to the universities. I am aware that this is not enough, but at least it gives a good boost to higher education. With this type of help, and more frugal spending, we can solve a good part of the universities' economic problem. We have already started that campaign. If you want to know what we will intensify it, I will tell you that we are already trying to do so, even though there are traditional political groups that are trying to block our efforts. For example, they come out and claim that this is a utopian plan. What is utopian is to expect that they will cease to operate on the spoils system. Those who control the destiny of this nation certainly have not shown positive attitudes toward this type of sacrifice.

[Question] How has National Progress been received among the Costa Rican electorate? What repercussions do you think this new movement will have in the coming elections?

[Answer] Two years away from the elections it is difficult to predict what will happen. But the acceptance of National Progress among the people has reached unexpected levels. Although I am new to politics, I can state that our reception has been excellent. We will be one of the majority parties in the next elections. Some claim that we lack financing, and it is true, but the political history of Costa Rica has shown that money is not the most important thing in doing things properly and bringing ideas, programs and availability to the Costa Rican people. During our campaign the person who has more money or more cars will not prevail; it will be the one who finds solutions to the problems we face.

[Question] What kind of vote do you expect to get in the National Progress Party?

[Answer] Everyone is welcome. We do not expect to build the party with a particular group, but with all those who really want to work.

There is a severe crisis among the big parties, and we are going to capitalize on that. In the Liberation Party, for example, party members demanded that the organization be rejuvenated, and it was not done. Today they have the same candidate and the same slogan. There was no rejuvenation, and the people of Costa Rica will make them pay for it. On the other hand, the Unity Party, which could have been the largest in the nation, made the mistake of not becoming established as a party. There were major forces that prevented such an action. It is still a coalition, and all coalitions meet the same fate. They get together for a campaign, and later they disband. A political party must have an ideology, and that is the problem of a coalition. It is a union of people of different ideological persuasions, who do not want to be a party, who do not want to give up the concept of the

political debt. We are also going to capitalize on the discontent of that group. We regard this as a positive issue; these people will become supporters of something better. It is the positive people of both groups who will come over to National Progress.

Barzuna was assailed for claiming he had solutions to national problems without telling anyone what they were. Did he do so for selfish reasons, or because he had no solutions?

It is not a question of providing solutions. No one can tell the president what he should do. It is a problem of attitudes. It is not a matter of ideas occurring to one person so that another person can take advantage of them. But one of the ways to achieve these solutions is to regain confidence in the country. After many talks with Miguel Barzuna, I think he personally believes that solutions are achieved on the basis of attitudes, positions and more common sense than anything else. Half the problems we have can be solved with common sense.

[Question] How would you define yourself, as a rightist, a leftist or a middle-of-the-road politician?

[Answer] These labels attempt to put people in categories. I simply believe in free enterprise as an essential element that contributes to the progress of the nation. It is indispensable for the country's health, and for its public order, that businessmen have a social conscience. I understand social conscience not to be mere pandering, but a form of providing the means for those who make up society to solve our problems, particularly those which affect the dignity of man, such as housing, education and health. In addition, they affect our potential for progress.

[Question] Many feel there is no need to resort to complicated arithmetic to predict that the elections will come down to a contest between Unity and Liberation. Do you believe this is true? Or do you think National Progress will be the opponent of one of those parties in the next general elections?

[Answer] I will answer that with another question. Who would have said in 1974 that Carazo would be the next president of Costa Rica? At that time National Unification was the only party that appeared to be strong, and able to confront Liberation. What became Unity was the party that won. Before that, Carazo was one of the minority leaders. Who could imagine that he would win in 1978? Between now and 1982, a similar thing could happen. I don't think simple arithmetic can answer that question. The upcoming campaign will be won by the party with the best solutions.

[Question] You talk a lot about solutions. Do you have those solutions for the fiscal crisis, the balance of payments situation and the whole gamut of problems that are plaguing the country?

[Answer] Right now we have distinguished professional groups in each of those areas working on the formulation of party platforms and on future solutions.

These committees will have to meet, scrutinize their programs, determine their feasibility. When that is finished and we can come through with what we plan to offer, then we will reveal the programs. It will be essential for a future government to have a consensus among all members of the administration that it is necessary for all Costa Ricans to agree on changing the nation's course. In our case, this will not be just rhetoric. There are a lot of groups talking about national unity in the face of problems, but even their own parties are not united.

[Question] Luis Alberto Monge has announced that he is going after a national political pact. Does National Progress believe this pact is a good idea, "to have peace and democracy?"

[Answer] Luis Alberto Monge has not said what the agreement should be about. When he does, we shall see. I do share his belief that we must agree, but if he does not specify I can say nothing about his appeal.

[Question] What links you with Unity or Liberation, and what divides you? Do you feel there are remarkable differences or points of agreement that will lead you to work toward a common goal?

[Answer] We have more differences with the communists. And we have a lot in common with the democratic parties of Costa Rica.

[Question] As a doctor and a researcher, what plans would you like to promote in National Progress?

[Answer] As a university professor, as a researcher, I feel there is a misunderstanding in this country as a result of our politicians' ignorance of this issue. That is why we advocate a program of scientific research in Costa Rica. That has been regarded as a luxury. We have put on the table before our program aiming to increase scientific research in Costa Rica. I believe that research is part of the development of a country, and more so that I do not believe the country can maximize the potential of its resources without research programs designed to use them to the utmost. When mention is made of this problem, many people think we are talking about finding a cure for cancer, or rocket fuel. In fact, we live in a tropical country which is different from the areas where the developed countries are located. We have our own climatic conditions, flora and fauna. The result is that we cannot use the research conducted by developed nations, which means that we must perforce undertake local studies. Institutions such as the National Council for Scientific and Technological Research (CONICIT) must be elevated to ministerial rank, and should be managed by researchers. Research benefits the nation's development, and it would be almost criminal to impede its progress.

[Question] Finally, to finish up with a topic which may not be your specialty but which has always elicited a lot of opinions, what do you think about the maxi, the midi and the mini in women's fashions?

[Answer] Fashion is an interesting social phenomenon. I like it, personally. In contrast to what we do, it makes women beautify the city; they look prettier.

## ECHEVERRIA DISCUSSES HIS ROLE IN UNITY PARTY

San Jose LA REPUBLICA in Spanish 11 Jun 80 p 11

[Interview with former Minister of Security and Government Juan Jose Echeverria Brealey by Wilmer Murtillo in "Political Wednesdays in the Republic" page; date and place not given]

[Text] Last 31 May, amid a myriad of varying and surprising conjectures, it was announced that Minister of Public Security and Government Juan Jose Echeverria Brealey was resigning.

Echeverria's resignation did not lead to serious changes in the administration's policy, nor were spectacular changes announced in the area of public security. To a certain extent, for many the resignation made no sense the way it was carried out.

Not even the most severe criticism from various political sectors managed to budge the minister from his post. A vote of censure by a special committee of the Legislative Assembly, later ratified by the plenary body, hardly ruffled a feather.

In this interview, the former minister of security and government, one of the most controversial figures in the Carazo Administration, stated, "I simply considered what I should contribute to the consolidation of the Unity Party."

[Question] For many your resignation was a confusing incident. Was your stepping down the result of a drastic change in government policy, or of simple disagreements with President Carazo or other members of the Government Council?

[Answer] Neither. I simply considered, and I discussed it in detail with President Carazo, that in view of the effort by certain groups within the party to hold the party convention early by setting a date this year, I should represent Democratic Renovation.

Almost all of the Democratic Renovation people are part of the administration, so there was no one in the party whose sole concern was the political action of parties.



For me, the most important political task this year is the consolidation of Unity; within what I call the consolidation of Unity is the establishment of rules for deciding when and how to choose the candidate.

Since this country has the absurd policy of not allowing public officials to participate in politics, someone had to leave the administration to take care of those matters within the party. That was the reason for my resignation.

I thought about resigning at the end of the year, and then in August, but since some people were insisting on holding the convention in December, and they even formed a committee to draw up the rules and determine the election procedures and that type of thing, I felt it was important--even from the national point of view--to leave office. I believe the Unity convention should be held in April or May of next year. I maintain that more than 90 percent of the Costa Rican electorate wants the party to truly consolidate its structure. That must be done this year. To try to do all these things before was incompatible with my public function.

[Question] After having been the pivotal man in the cabinet, the president's "alter ego," as many have claimed, isn't your resignation all the more shocking and surprising?

[Answer] No. Someone had to do the job and dedicate himself to politics. Otherwise, our party would have been left without true representation.

[Question] Do you favor a closed or an open convention for the election of the Unity coalition candidate?

[Answer] Either a consensus candidate or an open convention. Absolutely open, like the one held to choose between Rodrigo Carazo and Miguel Barahona.

[Question] Do you aspire to be president of the republic?

[Answer] I am not interested in any post in particular, although I feel I have the right to aspire to any of them. There are people who are better qualified to try for the presidency, but I am not discounting the possibility that I might try.

[Question] Did you step down from your post in order to fight for a presidential candidacy?

[Answer] That is perfectly possible, but it was not the reason for my resignation. The reason was so that I could devote my time to working for the consolidation of Unity, and to participate and contribute in establishing the rules of the game.

[Question] If you had to choose between supporting Rodrigo Madrigal and supporting the foreign minister as the candidate of the Unity coalition, whom would you favor?



[Answer] There are others who could be better. I will support the candidate chosen by Unity Party, no matter who it is. But in the primary campaign, I think there are better alternatives than Rodrigo Madrigal and Rafael Angel Calderon.

[Question] Who?

[Answer] There are several . . .

[Question] Minister Rodolfo Mendez Mata?

[Answer] For example. . .

[Question] From your standpoint at the Ministry of Security it is obvious that you are in a better position than anyone else to tell the nation if we should be worried about the situation in Central America. How much will it affect us? Are there extremist elements operating in our country? Do you feel we are going to have peaceful elections?

[Answer] I think so. We must always be on guard. There is an expression that says "Praise the Lord and pass the ammunition." In politics the best policy is to overestimate. I do not believe we are facing imminent danger, but it is always better to take precautions. Those who are responsible for setting priorities among problems must overestimate the dangers and act as if the worst of all possibilities were the most probable. I did that when I was minister. I always took into consideration the worst, and I acted on that premise. I see no danger as long as Costa Rica continues to fight for the fair distribution of wealth, as long as we maintain a climate of social justice and solidarity. In that case the Central American conflict will not reach us. Another condition is that the party system function adequately.

One of the reasons why people resort to violence is a lack of proper channels for expressing themselves. For that reason I am trying to consolidate Unity as a single party. It could represent more than 50 percent of the Costa Rican electorate. If no adequate channel is provided for the aspirations and concerns of that percentage of Costa Ricans, people could become frustrated. That is why the party system is so important for the consolidation of an active democracy.

[Question] Are you fighting for the consolidation of Unity, even at the cost of losing the political debt?

[Answer] I see no reason why one should be incompatible with the other.

[Question] Are you talking about creating a single party?

[Answer] But it is not necessary to give up the political debt.

[Question] Would Congress have to pass electoral reforms for it to be eligible for the political debt?

[Answer] Well, I will fight for that. I think that is one of the things we should try to achieve. I am going to meet with whoever has to do it in order to achieve it: with the deputies, with whomever.

[Question] Do you believe that the country is facing a series of economic and social conflicts which will lead to an atmosphere of dangerous agitation? If so, what solutions would you propose for this problem?

[Answer] I have much faith in the exceptional qualities of President Carazo and his cabinet; although we are undergoing a difficult period as a result of external problems, I am certain that the solutions the administration proposes for each case will permit us to overcome the crisis. I see no reason why the country has to move toward a climate of violence and agitation.

The basic solutions are the economic measures the government is taking, because they seem to me to be correct.

[Question] There are whispered accusations that you benefitted from the war in Nicaragua. What do you have to say to that assertion?

[Answer] Whoever has a job to do should do it wherever it is necessary.

[Question] Well, there was a lot of criticism of your running of the ministry. Basically, they accused you of militarizing the country. What do you think of that charge? Would you say it is fair?

[Answer] Not only do I feel it is unjust, I think it is ridiculous. Anyone who walks through the streets of Costa Rica knows that it is not true. That is so obvious! If someone wants to say it is summer right now, what can you say?

[Question] The Liberation candidate, Luis Alberto Monge, has announced that his goal is to draw up a pact to save peace and democracy. What do you think about that?

[Answer] Two years ago, when I began talks with former President Uduber and Luis Alberto Monge, and President Carazo called for a national dialog, some people criticized us for raising the flag that Monge now says he wants to raise. I am sorry that 2 years were lost before the leaders of the National Liberation Party understood the need to find areas of national understanding. I completely agree with this attitude, because it was my attitude and that of Carazo when he called for a national dialog at the IICA in Coronado.

[Question] What do you think is the most important issue today?

[Answer] Costa Ricans should be aware that the vitality of permanent, ideological, structured political parties is essential to our institutions. And that to the extent that Unity is not a true party, to that extent our party system will be weakened. That is not good.

[Question] Then we can say, in conclusion, that between you and President Carazo there continues to be strong and vigorous mutual support, and what some have called a "perfect political marriage" is still functioning perfectly?

[Answer] In my letter of resignation I emphatically reiterated my unconditional loyalty to the president and his administration, and I believe that that is and should be sufficient guarantee of my attitude.

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## CHACON PACHECO DISCUSSES CURRENT POLITICAL SITUATION

San Jose LA REPUBLICA in Spanish 18 Jun 80 pp 13-14

[Article by Nelson Chacon Pacheco on "Political Wednesdays in the Republic" page]

[Excerpts] Nelson Chacon Pacheco is a distinguished attorney whose career includes important positions. He was mayor of San Jose, a deputy to Congress from 1932 to 1936, director of the Central Bank, a magistrate, Costa Rican ambassador to the United Nations, director of the Civil Registry, electoral delegate to the Supreme Election Tribunal, and author of the book "Nuestras Leyes Electorales" [Our Election Laws], which covers the period between independence and the Electoral Code. This article, an exclusive for LA REPUBLICA, is an analysis of the country's political situation. It serves as the basis for a personal theory regarding the proper solution for the crises of today.

It does us no good to ignore the serious events which take us by surprise day after day. The economic problems governed by internal factors are explainable and controllable to a certain extent, but the externally caused problems are beyond our control. The political-social problems, on the other hand, are undoubtedly inflated by external trends which are alien to our present, calm and rational way of thinking. In the world of yesterday, the fact that political parties moved in and out of the revolving door of power came as no surprise to the defeated party. The statesmen who governed the nation were remarkable for their brilliant humanistic enlightenment, for their cautious behavior in international relations, and for their unassailable honesty in managing the nation's coffers. External factors were observed warily, but that was all. Of course that world is very far away now, and it was inhabited by a sparse population. In today's world, we must understand that distances have been shrunk by a technological revolution in the field of communications.

Now nothing is far away or nearby. We are all in the same place. Today ideas clash without the barrier of distance. We belong to a society which has overcome distances, and hatred prevails over love. People are either friends or enemies. The economic problem stems from a highly statist policy, which attributes the best qualities, and reserves the best of everything, for state-run enterprises.

State intervention has been on the upswing without pause, almost without opposition. What we are experiencing is a hybrid statism. We are no exception, but we sinned in turning our backs to the serious socioeconomic problems that undermine daily the Rule of Law which we foolishly pride ourselves in. We repeat that concept routinely, just as old people repeat prayers during the first masses of the morning, nodding in sleepiness.

### Hour of Agony

Our democracy is undergoing an hour of agony, in this wasteland of personalities who exercise power. We have citizens of exemplary public conduct; their civic morality is recognized, but that is all. Democracy was in its heyday when statesmen put their virtues before their personal appetites and interests. In the final analysis, democracy is virtue itself. Times forefathers saved democratic traditions because they raised the interests of the entire community to the level of a democratic principle. Thus, the political system they represented improved in the direction of society and history. Democracy is not undergoing a crisis; what is in a state of crisis is the illegitimate concept of national neediness, a concept which is confused with the electoral system designed to serve that nation. We see that the term "people" is used to refer to only part of the population. The people is the whole, and it makes its decisions based on faith in that concept; but hardhearted politicians are surreptitiously usurping privileged electoral positions. A dignified, strong and civically educated society such as the one we brag about should sacrifice itself for the nation, because the nation represents those who live, those who have left for the infinite heavens of silence, and even those who have not yet come to this world.

There is only one truth, one morality and one vision in the nation. A people can not live at the cost of its future. Democracy must see that the nation's past is respected and its future loved; if it does not meet these goals, it falls into degenerate decadence. True democracy should elevate itself above all petty concerns. It should be so magnanimous that when it understands the destructive intentions, it does not hesitate to offer its own life. This kind of heritage is what enlightens and strengthens it. Generations are linked to one another. If each generation selfishly limits its actions to seeking its own benefit exclusively, the human species will not survive.

### Social Conflagration

We have an obligation not to hide our grave problems: economic imbalances, social crises--whether fictitious or not--evident political distortions, or negligent civil immorality. In a small country such as ours the accumulation of unsolved difficulties foretells the explosion of unsatisfied demands and the eruption of a social conflagration.

Two years ago our hopes were pinned on a new leader, a new administration, and a complete, objective revamping of the government of the republic. Inexorably, all new authority is accompanied by disillusionment when, sooner or later, its flaws and limits are revealed. Thus, it is a serious matter

when people do not believe in their government, and it is even worse when people believe all the bad things said about it. All this is possible, and is actually happening. But what is really impressive is that the majority of the economically strong classes, the intellectuals, the middle class, and many Costa Ricans in general, do not perceive the signs of moral decay; they do not believe in the dangerous social phenomena that are taking shape before their very eyes; they prefer to believe in nice, frivolous things, and it is these things which are pulling the wool over their eyes. Sometimes they are fearful, but they merely imitate the ostrich when it is confronted with danger: they bury their heads and hoist their bottoms.

### Profound Differences

As far as the political parties are concerned, the outlook is disappointing and discouraging. They practice the same ritual, and like the public festivities at the end of the year, there is very little if any difference between the 1950 program and the projected 1981 program. The groups that call themselves majority groups are moved by a hunger for power and money; they do not tread the path of clear patriotic aspirations. Their differences--not ideological but personal--are plain to see. There are profound internal rifts which result in the dilution of hierarchical power in a dense jungle of rancor and disproportionate personal ambition.

As a consequence, ambition is propagated and there is a great rush to join minority parties which sometimes do not even manage to win a single municipal seat, but which certainly will erode and hinder the serious, important tasks of the future government. Even if these minority groups were successful in winning a seat, the painful drama of electoral trade-offs would ensue so that harmonious and concrete methods of catering to partisan interests would be devised. It is absurd to think that a political party could try to maintain, retain and sustain a complete control of national life. In the end there will be deterioration, and the depletion will be visible, causing serious institutional harm; the result would be a mere trampoline so that only well-oiled, unscrupulous opportunists could become rich under the guise of a false ideology which was clean only on the paper that the party platform was printed on.

### Deterioration of Congress

It is amazing to compare the congresses of yesteryear with those of today (the Legislative Assemblies). The distinguished citizens who occupied the seats in the past had a certain grandiose manner, a certain solemnity, a certain dignity in their favor which helped them through the difficult times of their day, but which also provided them with enlightenment and patriotic fervor. The congress of today, and that of recent decades, consists of absentee, irresponsible bureaucrats, who cater to secondary partisan interests, showing an unabashed hatred, well paid by the people who elected them. The congressmen--most of them--are amenable to enjoying all the advantages that can derive from their position as members of a dis-solute power: above all, early retirement, security for themselves and



their families, government-paid junkets around the world to see the sights, entertainment, the good life. This privileged, lazy bureaucracy has just one fear: that they will have to work at reading the laws and voting their consciences. To be perfectly honest, there are exceptions who are a credit to Congress.

This visible deterioration has led to widespread disrespect and general disgust. Indications of what the public thinks about the indecent conduct of some congressmen are clear: one of the most distinguished congressional historians of the past, Don Manuel Forinosa Pena, gave specific examples of corruption flagrantly exhibited by deputies who, even though the constitution forbade it, unabashedly raised their own pay. On another occasion they exempted themselves from taxes on their automobiles, even going to the extreme that one of them sold his right to a third party.

Learned citizens have protested these actions, which are unworthy of a legislator. Deputy Yolanda Calderon Sandi claimed that deputies have spend more than a million on trips. (LA REPUBLICA, 13 March of this year.) If we add to this moral degradation the voices of the most brilliant writers of our time, such as Don Julio Samol, Professor Leon Pacheco and Don Enrique Benavides, Don Oton Acosta, etc., we hear warnings about violence and terrorism, changing times and certain dangerous social complexes that are constantly changing, rightists and leftists engaged in open battle in Central America. This has prompted the National Economic Development Association to comment "that nothing and no one can guarantee that Costa Rica will be untouched by the chaos that now characterizes Central America."

#### Vociferous Teachers

What awaits us in the future? What should we do? The erudite Deputy Rodolfo Cerdas Cruz, in a political-social analysis, clearly stated the necessary conduct that must be observed in Costa Rica, for Costa Rica.

He said: "In view of the demise of National Liberation and the failure of Unity, there is a clear need for a new political alternative in Costa Rica." "The proposals made by National Liberation and Unity are no longer valid. What this shows is that we must seek out new alternatives, and that we are on the threshold of democratic and historic change in Costa Rican life" (our emphasis). "The crisis our country finds itself in is not just political, because of the invalidity of the traditional political organizations; it is also a leadership crisis." Let us add to this terrible vision of Socialist Deputy Cerdas Cruz the vision offered to public opinion by the learned and distinguished minister of public education, Professor Maria Eugenia Dengo de Vargas. She warns us "that something strange is happening to some groups of students, who shout their demands, win and accept the possible resolutions requested by them, but nonetheless they continue the walk-outs and their strike declaration." The most serious impact is the influence the leftist agitators wield, joining the vociferous professors and teachers who support such strange conduct.

## Surprise Attacks

We must bear in mind that totalitarian dictatorships--whether leftist or rightist--inexorably subject the people to their principles from infancy. Of course that smothering process does not allow men or women to grow and mature, and the consequence is rebellion (Hungary, Czechoslovakia, Cuba), since human instincts can never become petrified in the arid fields of principles for the purpose of halting the dynamic flow of life. Communism denounces the exploitation of man by man, but it cleverly disguises its thirst for power behind Marxist ideology, giving false promises of total liberation. We know very well that Moscow is rapidly moving to consolidate its empire in new regions. For us Hispanic Americans, these surprise attacks are nothing new. We all know the fate of those promises of freedom, suffrage and democracy in Fidel Castro's revolution.

## National Pact

The alternative: inspired by the exemplary civic conduct of the great Colombian leaders Dr Alberto Lleras Camargo and Don Laureano Gomez, the heads of the National Liberation Party and Unity should come together and, forgetting past sins and insults, sign a National Front Pact, with sincere loyalty and devoted love for Costa Rica and its democracy. They should agree to guarantee an order that they can both live with: an awareness of freedom, an awareness of a true and just balance in the distribution of national wealth, an awareness of certain, prompt and equal justice, and an awareness of free, clean, universal suffrage. In light of these principles, or others of a similar nature, they should agree on two presidential terms: the first 4 years will go to the National Liberation Party, with one of the vice-presidencies reserved for Unity; a minority of ministers; a minority of deputies and town councillors; a minority of Judicial Branch Magistrates, as well as in the Electoral Branch; a minority in the Autonomous Institutions and in the nationalized banks. In order to fill these posts, Unity will submit lists of three candidates each to the leaders of the National Liberation Party.

The above may be interpreted by fools as a neat solution to the future defeat of Unity Party (from which I am completely divorced and with which I have absolutely no connections or obligations). What those who think this do not know is that nothing is certain in politics, that political factors can never be fixed and controlled a year in advance, much less 2 years in advance. But there is one factor that only the blind have not taken into consideration. The government that takes office in 1982 will be working against worse economic and social conditions, as well as the merciless onslaught of insatiable demands. It is going to be even worse in politics, because the numbers that heavily favor a huge electoral clientele think so, as do the minority groups that are lying in wait for seats in national and local legislatures.

We will have candidates for every taste. Remember: Fill the pond and the frogs will come flocking. The pensive, prudent and patriotic Costa Rican

observer cannot but think that the uncontrollable and unpredictable factors will emerge at once, causing unfavorable changes in the economic, fiscal, financial and employment situations, as well as the continuous rise in the cost of living, the impact on general prices of goods, the gloomy specter of monetary devaluation, all accompanied by increasing dissatisfaction. There are no magic formulas that can solve external and internal problems.

The only thing left is to make sacrifices over time, and that will avoid a bloody class struggle. An enhanced understanding of love for one's homeland is the final decent recourse we have. All Costa Ricans of good faith must join together and rally round a national conciliation government. Think of the savings in public monies if the electorate agrees to raise a common banner, and of what that lofty and brotherly conduct would mean in the eyes of the nations of the world as they see an entire nation worshipping at the altar of patriotism. Two administrations, having reached a patriotic agreement between the two majority parties, will provide an opportunity to recover the essential values that we lost. New generations will emerge with young, civically educated, mature leaders who boast clean moral and intellectual lineages and exercise undisputed authority.

If the greed and pettiness of temporary interests continue to hide behind cloaks and carry out repeated electoral carnivals, there will be remorse at not having understood the somber omens of our times. With desperate bitterness we will remember the sign ordered posted by the freebooter General Hinningsen when he left Granada after sacking it. The sign read: "Here lay Granada."

He who thinks thus can rest assured that in the heart of our republic the sign will be posted: "Here lay Costa Rica."

By that time, everything will have been lost, even our honor.

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CSO: 3010

## THOUSANDS SEEK TO ENLIST IN TERRITORIAL MILITIA

Pinar del Rio GUERRILLERO in Spanish 10 May 80 p 1

[Dispatch by Ramon Crespo Porben]

[Text] With representatives present from the Malagones, the first 12 militiamen in the country to join the National Revolutionary Militia, yesterday, at the headquarters of the Executive Committee of the People's Government in Guane, an analysis was conducted regarding the forthcoming creation of the Territorial Militia (MTT), called for by Commander in Chief Fidel Castro in his recent International Workers Day speech.

Presided over by Emilio Pimienta Veloz, member of the party Provincial Committee and vice president of the Assembly of the People's Government at that level, the meeting assessed the schedule developed for the experimental formation in the municipalities of Guane, Minas de Matahambre, Sandino and Mantua of this body that is notably of the people.

During the assessment there emerged a challenge from the Malagones to the other provinces intended to spur the formation of the MTT units. There was a challenge, also, to carry out the ceremonies of swearing-in and presentation to the people with the solemnity these acts demand.

It was also revealed that on 14 June, in honor of the birthdays of Maceo and Che, the municipalities named will be the sites of the formation ceremonies, for which the areas chosen are being carefully prepared.

Following progress reports by municipal presidents of the People's Government regarding creation of MTT units, the most important tasks to be carried out by governmental bodies were announced. They include formation of the units before 30 May, preliminary preparation of militia members for the swearing-in and presentation to the masses, and the holding of an experimental meeting with a company, which will end with a maneuver.

Moreover, it was stated that there would be an emulation program involving the four Pinar del Rio municipalities that will experimentally form MTT units. The criteria will include the results of the preparation of

militia members, completeness of the units, attendance at preparation activities, and quality of the presentation and swearing-in ceremonies.

In closing, Emilio Pimienta Veloz termed the gathering very constructive, and he described as highly stimulating the presence of representatives of pioneers of our nation's National Revolutionary Militia.

He then noted that thousands of men and women in our province have asked to join the Territorial Militia and that Cuban women particularly stood out among those making this patriotic decision.

"This is a concrete response to Fidel's remarks of May First. We believe it is a great response that has been earnestly stimulated by the agencies of the People's Government, the Ministry of the Armed Forces and the military leaders of the People's Government, under the party's guidance," Pimienta Veloz said.

Leandro Rodriguez Malagon and his brother Giraldo, two of the Malagones, spoke of the unforgettable moments 19 years ago when they, along with 10 other peasants, founded the National Revolutionary Militia in response to a summons by Commander in Chief Fidel Castro.

Also helping to conduct the assessment were Lt Col Alfredo Loaces, Lt Col Hermes Ferras and Maj Sergio Gonzalez, all of the staff of the Pinar del Rio Army Corps, and Mario O. Martinez, first secretary of the party in Guane municipality.

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CSG: 1810

TERRITORIAL MILITIA REGIMENT FORMED IN BARACOA

Havana TRABAJADORES in Spanish 22 May 80 p 1

[Dispatch by Graciela Hernandez]

[Text] The first regiment of the Territorial Militia has been formed in Baracoa, and an intensive effort is being made to organize that body in other Guantanamo municipalities, according to Hector Parra, president of the Provincial Assembly of the People's Government.

The first municipalities to form units of the Territorial Militia were Maisi, Imias and San Antonio del Sur; these groups are composed of men and women.

Parra spoke of that people's militia tradition and recalled that the first border battalion organized was composed largely of militia members with considerable experience in the struggle against counterrevolutionary infiltration and groups.

The Territorial Militia units have very specific missions, which include defense of the local area, primarily the territory where they are located, and giving aid to the people and assistance in the event of a disaster.

Their members, men and women from the town, will receive combat training, for one of their missions is to protect their territory when the regular troops are sent to a particular place.

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CSO: 3010



## U.S. ENTERTAINERS, FILM TECHNICIANS ARRIVE IN HAVANA

## Harry Belafonte Heads Troupe of 67

Havana GRANMA in Spanish 16 Jun 80 p 6

[Tel] Harry Belafonte arrived in Havana last night heading a troupe of 67 persons, including singers, musicians, technicians and 11 members of his family, his wife Julie Belafonte, the actress, among them.

He was received at the Jose Marti airport by Antonio Nunez Jimenez, vice minister of culture, and by Lupe Velis, international relations director of the same ministry.

Belafonte said that his repertoire would consist mostly of antillean songs in a modern style, protest songs of the North American and South African people and international songs.

The troupe includes 11 singers, among them Letta Mbulu, a South African singer like Miriam Makeba who is her mentor; Falume Prince, an Afro-North American and others. They are accompanied by eight antillean, North American and Brazilian musicians.

The first performance in Cuba, which is also Belafonte's first in the Caribbean, will be today at the Lenin School at his request. From Wednesday to Friday he will be at the Carlos Marx and then at the Isle of Youth, at a senior high farm school, and in Santiago de Cuba, at the Guillermon Menéndez Stadium.

In this his seventh visit to Cuba, Belafonte will also be accompanied by television production artists and technicians who will film a documentary. Members of his family who are with him are his wife, his four sons, a granddaughter and other relatives.

Belafonte had been wanting to perform in Cuba for a long time "because it is very encouraging to sing in a place which has been successful in its struggle for liberation."

### Concert at Lenin Vocational School 'Hit'

Havana GRANMA in Spanish 17 Jun 80 p 4

[Excerpts] Keeping an old promise made to the youths of the Lenin Vocational School--an institution he visited some years back--the famous U.S. artist Harry Belafonte held his first concert in our country last night before an enthusiastic audience.

Belafonte addressed the hundreds of students gathered in the outdoor theater to express the pride he felt in performing at the Lenin School. "We have come to Cuba to express our solidarity with the people. I deeply love the Cuban people. Hurrah for Cuba! Hurrah for the Revolution!" he said.

The vocal talent of Letta Mbulu, a South African singer was also appreciated last night. Belafonte introduced her as an artist very much committed to her people's struggle.

Also present in the audience was Education Minister Jose R. Fernandez and his vice minister, Amela de los Santos, and other MINED and Lenin School officials, as well as relatives of Belafonte and other guests.

END 3010

## POLITBUREO MEMBER GARCIA CALLS FOR PORT EFFICIENCY

Havana GRANMA in Spanish 17 Jun 80 p 2

[Text of speech by Guillermo Garcia Frias, Politburo member, vice president of Council of Ministers and minister of transportation, on Maritime and Port Worker Day, 15 June 1980, in Santiago de Cuba: "Situation of Ports Leads Us All to Make Maritime and Port Worker Day Beginning of Great Battle"]

[Text:] Party comrades in Santiago de Cuba:

Comrades of the National Union of Merchant Marine and Port Workers:

Comrade maritime and port workers:

First, let me use this meeting with the port workers of Santiago de Cuba to transmit to all our merchant marine and port workers warmest congratulations from our commander in chief, Comrade Fidel, on Maritime and Port Worker Day.

Through the years, this date has become a day of great significance for all of you and for all of us who share responsibilities in this important branch for the national economy.

On this date we not only happily and enthusiastically celebrate our achievements and single out the best individual and collective work but we use this date each year to analyze the deficiencies that still exist and to give ourselves new tasks to improve our work.

This is not accidental. In socialism, as opposed to capitalism, happiness goes hand in hand with work because in our system, as opposed to the capitalist system, work stops being a heavy burden and becomes a motive of satisfaction for each worker. Man's most beautiful dream under socialism is the fulfillment of duty through work because the worker is well aware that his contribution to society is recognized not only as a material contribution but as a valuable moral contribution to the collective effort.

On a day like today, we indirectly give homage to work, the main focus of human activity and of construction of socialism.

#### Best Worker Is One Named Outstanding Worker in Any Production Field

We give homage to the maritime and port workers who, through their effort, have won the title of vanguard and are with us today at this celebration. The example of these comrades fills us with revolutionary enthusiasm. Their example also shows us the potential in each one of us, the chance we have to contribute a little more in daily work. If they, inspired by the ideal of emulation, have been capable of overfulfilling their production tasks, this means that many of us could do this and overfulfill our responsibility to society, secure that the best worker is the one who can win the title of outstanding worker in any production field. These comrades' example is a challenge to all of us, a challenge we can all meet, a challenge for us to link arms to fulfill our social duty more quickly and with greater efficiency.

As happens each year, the date that we celebrate today coincides with one of the busiest moments in port work, a "peak" time in the arrival of merchandise to our country. Thus, along with homage to the outstanding workers and enthusiasm for fulfilled duty, we must also analyze our work and examine the situation of our ports and the prospects for meeting our quotas for the rest of the year.

If we examine the situation of the ports nationally, we can see that the country is once more facing the reality of port congestion. This reality is nothing new. Before this year began, at the time we examined the 1980 quotas, we were aware that we would have to face massive arrivals and that it would be necessary to stretch all our capacities to unload the merchandise. We also knew the efforts we would have to make in transportation to guarantee removal from the ports and the work that had to be done in the domestic economy warehouses to receive these imports.

We also knew about our many deficiencies, objective deficiencies and problems caused by subjective factors that we have not yet been able to overcome. In the ports and throughout the transportation system, there are innumerable problems to be solved through complex organizational work. This work has begun but final results cannot be obtained in the short term. The help of many organizations is needed to culminate it successfully. The port congestion which we face today coincides with overall reorganization of transportation on the national scale which unquestionably negatively affects operations many times. When structures are changed, a period of adaptation is needed to achieve superior levels in work organization later. These factors along with limitations in the availability of resources to insure efficient transportation have made it impossible to prevent port congestion. Despite these problems, fulfillment of the quota is better than last year but it is inadequate compared to the arrivals and the needs of the national economy.

Let us look at some figures.

From January to May, there has been an increase in arrivals to the ports which it has been impossible to assimilate. This has increased the floating cargo to about 500,000 tons now with the arrival of about 300,000 tons expected in June.

Average monthly unloading totals about 590,000 tons while arrivals total about 620,000 tons.

Because of this situation, the extra lay days of the ships increase with a serious effect on foreign currency for the country.

A comparison up to May 1980 with the same date in 1979 shows that 11 percent more tonnage has arrived in the country while unloading only increased about 2 percent.

This demonstrates that port operations are inadequate and it is necessary to increase the average unloading beginning this June. We must not forget that the next 7 months include July and August with their corresponding periods of rain, festivals and vacations. The reality of these figures forces us to make an immediate analysis in order to adopt necessary measures to increase unloading in the ports and the removal of domestic economic merchandise.

One of the objective factors that we must improve immediately is the availability of transportation to remove the merchandise from the ports and distribute it rationally. We have decided to increase the capacity of automotive transportation by allocating indispensable resources like tires and spare parts. It is also necessary to make a detailed analysis of the other factors involved in the port-domestic economy chain. There is much that can be done. All the responsible comrades must actively participate in the examination of these factors, motivated by a single objective: to minimize by every possible means the extra lay days of the ships. This would reduce the country's losses of foreign currency. This objective seems to be a simple one. Nevertheless, great efforts and especially massive organizational work involving all the links of the chain from the port to the last domestic economy warehouse are needed to attain it.

#### **Need to Improve Organizational, Administrative Work to Achieve Fast Ship Unloading, Efficient Removal of Merchandise**

If we begin the examination of the problem at the ports, we can see the need to improve the organizational and administrative work so that we achieve fast ship unloading and the most efficient removal of the merchandise.

When we talk about organizational and administrative work, we mean the need for the administration of our terminals as well as the party cadres

and the union to do as much as possible to organize their daily work so that they can exercise their true role of leadership.

One example is daily planning of unloading and removal of merchandise. There are many problems here. The daily planning basically covers the port, shipments and transportation. The comrades who participate in writing and supervising the daily quota frequently do it without considering the objective elements that determine the possibility of fulfillment. These same comrades and domestic economy representatives are hindered by interminable meetings to analyze fulfillment of the quota which is not usually fulfilled because, from the start, it was based on nonobjective factors. This falls in the area of known justifications, making effective supervision of daily work impossible. At some ports there are three meetings a day to analyze the same problem. As a rule, the second meeting alters the decisions of the first and the third meeting changes the second without any of them really knowing where the problems lie or who is responsible for lack of fulfillment.

The port places the blame on transportation, transportation blames the domestic economy warehouses, these blame transportation which does not bring the merchandise and these responsible for shipment blame all the others. This seems like an exaggeration but, unfortunately, it is a pretty good reflection of what actually happens. Therefore, I ask all comrades to immediately take up the task of improving daily planning of port operations in order to avoid useless meetings that take the extremely valuable time of the comrades.

In the case of transportation, it is necessary to stop making commitments without any objective bases. I am not saying that this happens in all the ports but it does in the majority of them. When automotive transportation pledges to employ a certain number of trucks, it should make this commitment on objective bases, being aware of its real potential. It should not be based on the desire to satisfy the demand of the port or of domestic economy; it should not be a response to pressure based on totally subjective commitments.

What are the consequences of this so-called planning? I say so-called planning because it cannot be called planning without precisely quantifying the resources.

The first result is that the daily quota for transportation is not met. This is not the worst thing, though. The worst is that when a quota is set, a commitment is made with the workers of the domestic economy warehouses. This commitment is occasionally to be met in overtime. What happens? The workers get tired of waiting and the merchandise does not reach their warehouses. This naturally upsets those workers who do not really believe in any commitment by the transportation workers. At times, even party work becomes very difficult. At a time of crisis like now, the party directs the calls to mobilize the workers in the warehouses to



receive the merchandise after hours. If the commitments with the workers are not fulfilled, the party cell is in trouble when it tries to organize the mass of workers again because there is no confidence.

I believe it is not necessary to expand on this problem. We must go on to complete elimination of this disorganization. I feel that the basis for eliminating this problem is to carefully write the daily quota for removal of merchandise from the ports so that any problem can be explained to the workers and the person responsible can be indicated. I believe that one basic element for a serious plan is for transportation to make correct calculations and more realistic commitments while still fighting for maximum efficiency from the equipment.

#### Fight For Efficient Exploitation of Equipment Another Primary Need; Contradiction Between Shortage of Trucks and Trucks Without Full Loads

The fight for efficient exploitation of equipment is another priority need. There is a contradiction between a shortage of trucks and trucks occasionally without full loads. Who is responsible for this? In the first place, the drivers themselves in many cases do not want the truck fully loaded. In the second place, those who direct the trucks do not demand responsibility for this not to happen. In the third place, the zone chiefs and expeditors do not prohibit the departure of a truck if it does not meet established load standards.

Let us look at other indicators for automotive transportation to give an idea of its underutilization.

The exploitation coefficient of equipment as of May 1980 was about 51.5 percent, nominally, less than last year when it was low enough--54.5 percent.

The average waiting time (loading and unloading) was about 5.3 hours in the first 5 months of this year.

Now, transportation is not limited to trucks. The railroad has a vital role at this time. It is well known that our railroad has a great reserve and it is necessary to increase its efficiency immediately.

Because of new investments, railroad capacity has increased; nevertheless, because of existing problems, it has not been used to the maximum. Railroad deficiencies include poor management in sending the equipment to the freight. It is also necessary to point out that the ports are not used to railroad loading, especially in the interior ports where the equipment is sent but not loaded fast enough.

These factors mean that the railroad, as of April 1980, had an exploitation coefficient of railroad cars of only 79.5 percent; it was 83.9 percent in 1979. Exploitation of locomotives decreased from 38.9 percent last year to 33.8 percent in 1980.

The rotation cycle of the cars as of April was only 4.6 days although it improved slightly since 1979 when it was 4.7.

The delay in unloading railroad cars was 3.5 days in the first quarter of this year.

The railroad comrades should be aware of the possibilities of their capacities.

It is up to the railroad to send the greatest quantity of equipment to the ports on time and appropriately. It is up to the port administration to do as much as possible to load them on time.

As to shipment from the ports, it is necessary to improve ties with domestic economy, insisting daily on better reception.

#### Domestic Economy Receiving Enterprises Must Accelerate Distribution of Merchandise to Avoid Using Ships, Ports as Warehouses

We have storage limitations but the storage capacity that we do have is not well exploited. The domestic economy receiving enterprises must accelerate the distribution of their merchandise to avoid using ships and ports as warehouses. That hurts the national economy through high expenditures of foreign currency. Everyone knows about merchandise that stays in port warehouses for months without even a tentative date as to when it will be received by the users. I believe that it is time to solve this problem.

We have indicated some of the basic aspects where we need to improve our work. We have not mentioned many of the elements where we have to increase efficiency to meet the demands of national economic development. Development unquestionably imposes great tasks and it is necessary to invest large resources to achieve this. The large port investments are an example of response to the increase in our foreign trade.

These investments have not progressed at the proper rate and today we have limited capacity for unloading imports and for exporting our merchandise. The problem of port investments has to receive priority attention from the Ministry of Transportation in the next few years in order to guarantee the planned capacities.

These and other organizational problems must be solved immediately if we want to efficiently fulfill our tasks.

#### Maritime, Port Workers Have Basic Role Now and in Future; Quotas, Objectives Cannot Be Mentioned Without Decisive, Conscious Contribution of Workers

The maritime and port workers have a fundamental role now and in the future. Quotas and objectives cannot be mentioned without the decisive and

conscious contribution of the workers. In the case of the port workers, because of the nature of our economy which is dependent on imports, it is obvious that when port work goes badly, there are direct repercussions on all production sectors. This gives the port worker an additional responsibility toward the other workers in the country.

We have a great reserve in your work which is expressed in the possibility of greater work efficiency and increased productivity. Every day new ways are found to improve emulation and new potential is discovered in our workers. We still have far to go to attain the scientific levels which other socialist countries have reached in work organization. Our efforts must be aimed at those objectives.

As an example of these possibilities, we can point out the increased productivity that has been achieved since the application of payment by yield in the ports.

In 1974, the yield per man-shift was 3.6 tons. It was 9.1 tons in 1979 and reached 10 tons in the first quarter of 1980. The yield per brigade was 93.6 tons in 1974, increased to 133.3 tons in 1979 and reached 145 tons in the first quarter of 1980.

This has also meant an appreciable increase in wages. The average wage per shift has gone from 5.05 pesos in 1974 to 8.75 in 1979 and 9.43 in the first quarter of 1980.

A list of technical standards is being written now. Its implantation and the wage measures accompanying it will mean a new step in increased work organization and the subsequent effect on increased wages for the workers.

There is also progress in the new wage organization for leaders and technicians which should lead to more efficient work in our port administration and to fewer interruptions and other problems not caused by the workers.

A new form of organization and payment has been introduced in maritime transportation which recognizes the complexities of the work and the working conditions of our maritime workers. It includes bonuses for greater economic efficiency.

In maintenance and repair, it is necessary to continue striving for work standardization and payment based on yield in all cases possible.

Also we must accelerate implantation of the new forms of organization and payment for auxiliary maritime services in the ports which have great economic importance since most of these services are paid for in foreign currency.

These measures on work organization and wages should lead to increased productivity but we should be aware of other problems that depend very directly on the attitude of the workers; these must be overcome also. One

example is that exploitation of the workday is very low in many ports. Everyone agrees so an objective in planning is that the loading and unloading workday should be exploited at least 80 percent. Nevertheless, the reality of the first quarter of this year demonstrates that exploitation of the workday in these tasks reaches only about 70 percent nationally.

#### We Ask Union, Workers to Make Analysis in Each Port This June to Increase Exploitation of Workday

We ask the union and all the workers to make an analysis in each port this June to increase exploitation of the workday.

We are fighting today to increase the work shifts in the ports; nevertheless, this fight has to be accompanied by maximum exploitation of the workday. It does not seem rational to add more shifts when the existing ones are poorly exploited. It is obvious that it is necessary to increase shifts where needed but your task should be to fight for both: increased shifts in the ports and maximum exploitation of the workday.

In the case of the three southern Oriente ports, especially Santiago de Cuba and Manzanillo, the situation this year is not good. This should lead us to make an in-depth analysis. The results of the first quarter of 1980 in these ports indicate decreased efficiency in general as the figures show.

The yield per brigade in the first quarter of 1979 was 144.4 tons but it was only 132.3 tons in the first quarter of 1980.

The yield per man-shift in the same period in 1979 was 9.6 tons but went down to 5.7 tons in 1980.

Exploitation of the workday was 65.2 percent in 1979 and went down to 63 percent in 1980.

The average wage per man-shift increased from 8.79 to 10.13. Wage cost per ton was 0.91 in 1979 and increased to 1.15.

I believe that these figures speak for themselves and demonstrate the inefficiency this year. All the comrades in port administration and all the workers must study this problem hard and solve it soon.

The analysis of this problem should be quick but not superficial. It is necessary to look for reasons for this decrease. All the elements in the work process must be analyzed and the necessary measures proposed or taken.

In the analysis of the Oriente ports, we have kept in mind another factor that must be considered. This is the fact that the workers were more accustomed to handling sugar than general loading. In recent years, there has been an appreciable increase in general cargo. This has meant an additional effort for the workers who have had to adapt quickly to greater manipulation of these cargoes.

Criticism of the problems cannot obscure the advances achieved. It is also necessary to recognize the great effort made by the Oriente workers in exporting sugar this year. The port of Santiago de Cuba has been especially distinguished due to the attitude of its workers. We give you our congratulations and just recognition for your work.

I am sure that the Oriente workers, especially the Santiago de Cuba workers, will rise to the circumstances and, as you have demonstrated at other times, will know how to overcome the present work problems in port operations.

The situation of the ports leads us all to make Maritime and Port Worker Day the beginning of a great battle that must be fought against extra lay days of ships, low exploitation of the workday, low yield per brigade and per man and any sign of inefficiency and work disorganization. The port workers, transportation workers and the workers of the domestic economy warehouses will fight together. Together they will overcome any problem in coordination, stimulated and supported by the party and the union, inspired by the spirit, the combative ability and the optimism of Fidel and convinced of ultimate success.

Long live the maritime and port workers!

Long live our communist party!

Long live Fidel!

Fatherland or death! We will overcome!

1971  
1971 1971

## MODERN WEATHER RADAR STATIONS PROVIDE HIGH-POWER, LONG-RANGE SERVICE

Havana GRANMA in Spanish 26 Jun 80 p 1

[Text] Early 1974 marked the completion of a powerful network of three high-powered electronic radars featuring optimum precision and long range for meteorological forecasting. The network became operational upon completion.

The research work performed by the radar stations places Cuba among the nations able and ready to study the capricious behavior of atmospheric phenomena, a subject of particular importance if one considers the geographic position of our archipelago in terms of the paths taken by tropical hurricanes.

The three modern radar stations were installed in Gran Piedra, formerly Oriente Province; La Bajada, Pinar del Rio Province; and Punta del Este, Isle of Youth. The three stations are similar. Our weather network also includes forth synoptic stations for forecasting hurricanes and eighteen others engaged in agrometeorology.

These automated observation stations are capable, owing to their advanced technology, of evaluation and analyzing phenomena occurring in the gaseous space that surrounds us, to include their form, intensity and movement. By means of a wide variety of instruments and devices, meteorologists can even ascertain in a direct way, the amount of precipitation hundreds of kilometers away.

Hurricane tracking--their most important mission--can be performed once the cyclone comes within the longitudinal range or influence area (500 kilometers).

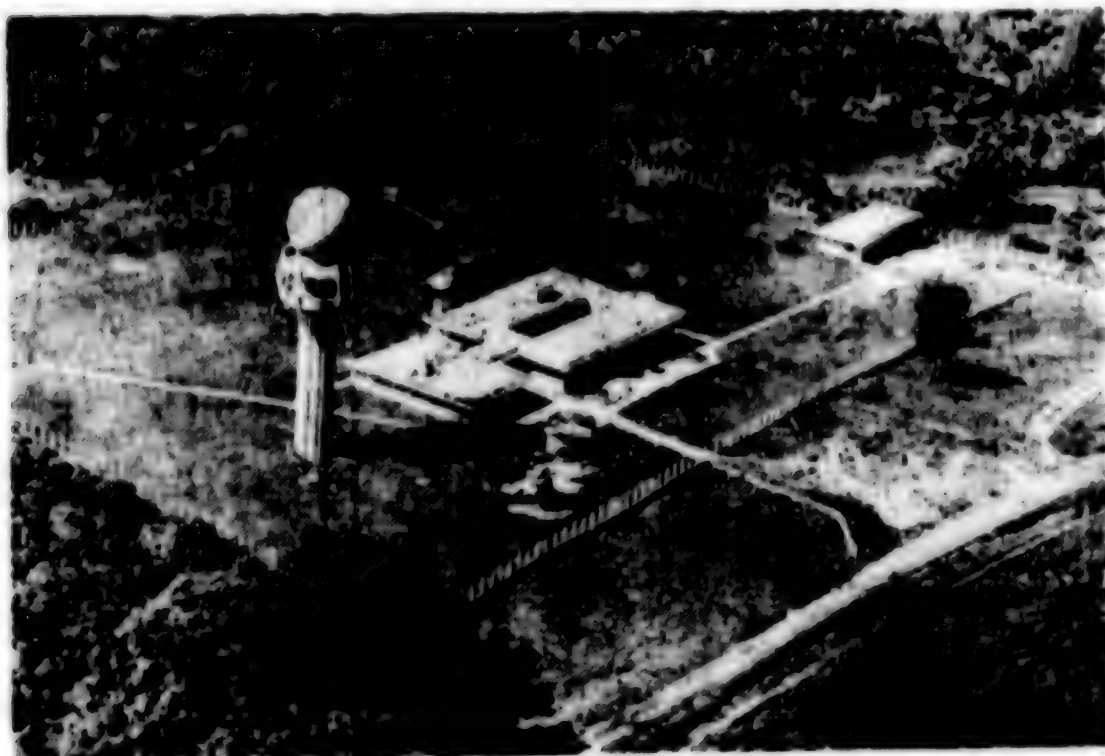
This modern electronic equipment, owing to its operational potential, is capable of spotting cyclones, hurricanes, squall lines, cold fronts and cloud movements at great distances.

The radars are of Japanese manufacture. They were received by the Institute of Meteorology through the World Meteorology Organization [WMO] as



part of the CUB-7 project of the UN Development Program [UNDP]. The Cuban part of the agreement committed this nation to the construction of the buildings that would house the equipment.

The UNDP investment was approximately 800 million dollars and the Cuban investment was more than 2 million pesos. The photo shows an aerial view of the La Bajada radar station in the far western part of Cuba.



CSO: 3010

## LIGHT INDUSTRY MINISTER ANSWERS VIEWERS' COMPLAINTS

FL021232 Havana Domestic Service in Spanish 1100 GMT 2 Jul 80

[Text] Manuel Millares, minister of light industry, has expressed his optimism about a solution to the problems of footwear production because of new investments and the workers' determination to improve quality. He made this statement last night in the year's sixth program in the "Public Information" television series. In this series, government leaders answer questions sent in by viewers. This time, 1,080 questions were received, a good number of which referred to footwear--its stiffness and lack of flexibility, uncomfortable and unattractive styles and other deficiencies that bring repeated complaints. The minister said that the public is justified in expressing its dissatisfaction with the product. He gave assurances that conditions are being created to make progress within a short period of time.

Millares explained that a factor in footwear quality are the skins, which require a good treatment that the tanneries are not providing. Another is exigency, so as to eradicate technological indiscipline [as heard]. He also dwelt on the bad state in which the skins are received, with scratches and other defects that could be avoided at the slaughterhouse.

Another concern was the problem of shoes that come unstuck. In this connection, Millares announced that a glue factory is near completion and that Czechoslovak technicians are providing assistance. On the little choice in styles, he said that the ministry plans to begin to work more directly on this aspect in a search for more comfort and beauty and depending more on the opinions of workers and on the support of the more experienced shoemakers. He said that there is a good deal of work to be done to make models more attractive and more acceptable to the public, including the young. Some progress has been made in this area, he added. He announced that the ministry will begin production this year of small quantities of fabric shoes. This production will increase in 1981. The minister said that new equipment would be installed in the textile mills, that basic materials in short supply would be received, and that there was interest in making a wider variety available. Our immediate concern

is to make shoe wear for daily use more comfortable; a second consideration is beauty although this is never excluded, he said.

Millares reiterated the need to implement exigency in the fulfillment of technological standards and he gave assurances that with the enthusiasm of the workers and the older shoemakers, including those who are already retired, footwear will improve.

The questions, posed by newsmen who had polled the public, then turned to textile products. Minister Millares announced that new machinery would soon be purchased to produce fashionable slacks, although he made clear that the capacity to produce denim is still limited. He also said that canvas will be added to production lines and that work is being done to improve the quality of fabrics used in work clothes. Concerning fit, which sometimes does not match the garment's size, the minister said that this deficiency had no justification and was due to lack of controls and exigency. He also spoke of current measures to label garments so that the public can be aware of which shop does good work and which does deficient work.

Toiletries were also mentioned. Millares announced that work was under way to expand capacity. He added that in the case of shampoo, deodorant and talcum, plans are being made to assure the public of a regular supply. He spoke of existing difficulties such as raw materials, containers and delays in getting supplies.

Millares also spoke of other production lines under his ministry such as mattresses, furniture and household equipment.

END

## VILMA ESPIN ADDRESSES FMC NATIONAL MEETING

FLO/1536 Havana Domestic Service in Spanish 1411 GMT 7 Jul 80

[Text] The morning session of the closing day of the national meeting on the state of production and social work of the Federation of Cuban Women (FMC), which was held in this capital, was chaired by Vilma Espin, member of the PCC Central Committee and president of the organization. During the meeting the participants took up the progress of joint tasks of the FMC with the National Revolutionary Police (PNR) and the Education Ministry, among many other topics.

In addition, the gains made and the difficulties prevailing in the crime prevention work of the FMC in cooperation with the PNR were discussed. According to a report read at the meeting, the current situation in special schools for children having disciplinary problems and the possibilities of activating working ties with the FMC through social workers were under study.

In a speech at the meeting Vilma Espin referred to the concerns of the women's organization and its desire to improve the joint work of the PNR and the Education Ministry. She also expressed FMC's readiness to cooperate in everything possible, taking advantage of the experiences gained in recent years by the social workers in all parts of the country.

The excellent work of FMC members in schools for children with disciplinary problems was also noted. The participants also discussed volunteer work, especially in support of the sugar harvest, among other subjects.

CSO: 3010

## BRIEFS

**CDR SOLIDARITY WITH GRENADA**--The National Directorate of the Committees for the Defense of the Revolution (CDR) has issued a communique condemning imperialism's attack against the leadership of Grenada's victorious revolution. This act, the CDR document states, is part of the campaign aimed at returning the country to the past of exploitation, oppression and injustice lived by the Grenadian people under colonial domination. This criminal and monstrous aggression will not achieve anything but the unanimous rejection of all those in the world who are aware of imperialism's hatred and arrogance against the peoples who love peace, freedom and justice, the communique says. The CDR are sure that in this struggle the people of Grenada, no matter how difficult the circumstances they have to endure, will be successful and will attain more victories. [Text] [FL042049 Havana Domestic Service in Spanish 2018 GMT 4 Jul 80]

**ECONOMIC PROTOCOL WITH UK**--Cuba and Great Britain have signed an economic cooperation protocol drawn up by the 4th joint Cuban-British commission. The protocol was signed by Angel Gomez Trueba, first vice president of the State Committee for Economic Cooperation, and by (Amen Baumbridge), deputy trade secretary. Gomez Trueba also signed an agreement on scientific-technical cooperation with the Imperial Chemical Industry, one of Great Britain's largest companies. In the company of Cuban Ambassador Jorge Bulnes, the Cuban delegation also met with Cecil Parkinson, minister of state in the Department of Trade; Nicholas Ridley, minister of state in the Foreign and Commonwealth Office, Latin America section; and visited the nuclear plant in (Janesston), Scotland. [Text] [FL051846 Havana Domestic Service in Spanish 1100 GMT 5 Jul 80]

**DUTCH PARTY LEADER**--(Max Vanderveer), president of the Netherlands' Labor Party, PVDA, has concluded a 16-day visit to Cuba at the invitation of the Cuban Institute of Friendship With the Peoples. During his stay in Cuba (Vanderveer) met with Carlos Rafael Rodriguez, Rene Rodriguez, Rene Anillo, and other officials. He toured the Havana City, Santiago de Cuba and Cienfuegos provinces and the Isle of Youth special municipality, the Moncada Barracks and the Frank Pais Second Front. [FL051846 Havana Domestic Service in Spanish 1502 GMT 5 Jul 80]

OCLAE CONDEMNS REPRESSION OF SALVADORANS--The Continental Organization of Latin American Students [OCLAE] has issued a declaration in Havana in which it expresses its warm solidarity with the courageous struggle of the Salvadoran people and youth. The document notes that the Salvadoran students movement is the principal target of repression owing to its active participation in the people's struggle for the overthrow of the dictatorship. The OCLAE declaration points out that because of that, a few days ago soldiers and policemen occupied the San Salvador University and the permanent offices of the General Association of Salvadoran University Students, which resulted in the death of 30 youths. OCLAE resolutely condemns the repressions against the Salvadoran people and adds that such brutal actions demonstrates the criminal nature of the junta which has the military, political and economic support of Yankee imperialism. [Text] [FLO71302 Havana Domestic Service in Spanish 1403 GMT 7 Jul 80]

ALMEIDA CHAIRS FLORIDA PARTY MEETING--Commander of the Revolution Juan Almeida Bosque, member of the PCC Politburo and vice president of the Council of State, has chaired the municipal party evaluation meeting in Florida, Camaguey Province. The communists in Florida have achieved gains in all fronts and a stronger and more combative militancy, more than 67 percent of which is made up of workers in production, education and services. Jose Fidel Gonzalez was reelected first secretary and Indecario Romero elected second secretary during the meeting, in which the gains made by the municipality in the economic sphere were stressed, especially the gradual growth in the sugar industry. In his closing remarks Ramon Cardenas, member of the provincial party executive bureau, referred to the pledge made to Fidel Castro to have all canefields weeded by 26 July. [Text] [FLO71230 Havana Domestic Service in Spanish 1100 GMT 7 Jul 80]

GARCIA FRIAS CHAIRS MATANZAS MEETING--Commander of the Revolution Guillermo Garcia Frias, member of the PCC Politburo and minister of transportation, is presiding at the first provincial plenary session on the port-transportation-domestic economy network being held in Matanzas. The principal report read by Jose Caballero, member of the executive committee of the provincial people's government assembly and president of the Matanzas committee for these matters, states that during the years 1978 and 1979 the province's port activities grew by 12 and 11 percent, respectively, compared to 1977, and that a sustained effort has been evident in exports. In addition, the report states that the port per diem payments have decreased markedly in Matanzas. Sitting at the plenum's presidium, next to Guillermo Garcia, are PCC Secretariat member Jorge Rinquet Valdes and Julian Rizo Alvarez, member of the PCC Central Committee and first party secretary in Matanzas Province. The meeting began at 1630 hours and was still going at 1800 hours when we prepared this report. [Text] [FLO42326 Havana Domestic Service in Spanish 2300 GMT 4 Jul 80]



HAVANA TRANSPORTATION MEETING--The first provincial party meeting on the port-transportation-domestic economy network began this morning at the Communications Ministry auditorium in Havana. Havana Port's loading-unloading activity and basic deficiencies in transportation from the ports is being critically analyzed through reports and debates. The effects that departments directly and indirectly involved have on the work of the port-transportation-domestic economy network is also being closely evaluated. Recommendations that may help to improve transportation of merchandise from ports and make ship loading and unloading more efficient are being introduced. The meeting is chaired by Guillermo Garcia, minister of transportation and member of the Politburo, and Jorge Risquet and Julio Camacho Aguilera, members of the party Secretariat. Also participating are the ministers of foreign and domestic trade. [Text] [FL04174/ Havana Domestic Television Service in Spanish 1700 GMT 5 Jul 80]

ARTENISA PARTY MEETING--Havana will receive 2,500 new buses, built in Cuba, during the next 5 years. PCC Politburo member Guillermo Garcia Frim announced in a speech at a party evaluation meeting held in the municipality of Artemisa. A large bus factory is located precisely in Artemisa, and it has already assembled such bus types as Giron-11 and Giron-12. The also minister of transportation stated that during the next 5-year period 800 buses will be built for intercity service. The buses to be built for the capital are the Hungarian Ikarus model whose factory supplies motors and other components and the rest is built in Cuba. These buses will be known as Giron-13. A few days ago the Cuban minister of transportation announced that Havana Province was going to receive 100 totally rebuilt buses. That province, he said, has done an excellent job in the recovery and exploitation of vehicles. [Text] [FL04184/ Havana Domestic Service in Spanish 1800 GMT 7 Jul 80]

END

HAITI

**BRIEFS**

OCCUPATION AGREEMENT WITH DOMINICAN REPUBLIC--A military pact providing for the occupation of Haiti by Dominican forces in case the Duvalier regime is in danger, has been signed by the two countries under U.S. guidance. The charges were made in Mexico City by the Haitian Democratic Committee, which warned that the wave of repudiation of the Jean-Claude Duvalier government endangers the stability of the Antillean nation, where repression and U.S. dominance has increased. So far 500,000 Haitians have abandoned their country in search of work or as exiles. [Text] [PL232334 Havana Domestic Service in Spanish 2300 GMT 23 Jun 80]

CSO: 3010

FEMEX: MORE OIL THAN PREVIOUSLY ANNOUNCED

Mexico City EL SOL DE MEXICO in Spanish 24 May 60 p 9-A

[Article by Arturo de Aquino: "According to PEMEX Mexico Has More Oil Than It Has Announced"]

[Text] Mexico possesses more crude oil than it had originally announced even though the only proved amount is that mentioned so far and the rest merely represents good possibilities "even though they are not proven."

The above was mentioned at PEMEX (Mexican Petroleum), an enterprise where its own director, engineer Jorge Diaz Serrano, asserted the fact in front of businessmen from the United States at a recent meeting.

It was mentioned that all the documents drawn up by the government oil enterprise leave open the possibility that in the near future the volumes of hydrocarbon reserves should rise further after serious surveys and the certification of same by organizations of recognized prestige are made.

At present Mexico's proven reserves total 50 billion barrels of crude oil. Its probable reserves amount to 45 billion barrels and its potential reaches 270 billion barrels including the proven and probable reserves.

In light of reports originating from abroad in which it is asserted that the country's potential reserves total 300 billion barrels, it was stated that Mexico has confirmed that its petroleum resources are above what could be established through surveys so far.

However, it was mentioned, there is no desire to capitalize on this or to make plans on the basis of such computations because the oil policy followed so far is serious and mere probabilities will not be taken into account.

It was reported that at present exploration work in various locations in Mexico, in the Pacific Ocean as well as the Gulf of Mexico, or in the north on the border of Chiapas State is under way and at all these sites it is felt that the possibilities of finding hydrocarbons are fairly good.

however, it was repeated, until the final results are in it will not be possible to state as a fact the supposed existence or availability of hydrocarbons.

POSEX indicated that as regards all exploration more precise surveys have to be made, and that even when the existence of hydrocarbons seems to be assured until the last minute the results can turn out to be different when an unproductive oil deposit is discovered. Or, it can also happen that there may be crude oil but not in amounts that make its exploitation commercially profitable.

END

QED: KED

## SENATOR CRITICIZES JLP'S RECENT TRIPS

Mexico City EL SOL DE MEXICO in Spanish 30 May 80 p 11-A

[Text] Senator Adolfo De la Huerta noted yesterday that the result of the recent tour which President Jose Lopez-Portillo made in various countries of the world "is not so favorable for Mexico because our country has become alarmingly indebted."

Senator De la Huerta criticized the fact that most of the agreements made during this presidential tour were with private concerns, which [he thought] is detrimental because the latter collect high fees for their services.

The senator said that the move by the head of state to disclose the purposes and results of his trip is desirable so that the country may be apprised of these results in detail.

Senator De la Huerta also criticized Mexico's financial policy because with the loans being negotiated problems are being papered over and in this way "anyone may be secretary of state."

He mentioned that "petrobonds" are being monopolized by foreign capital, especially that of the United States, and this will reduce Mexico's energy independence.

To conclude Senator De la Huerta came out in favor of nationalizing banking and food production in Mexico in order to end the state of dependence which Mexico witnesses in these sectors.

2042

CSW: 3010

## PEMEX EMPLOYS TANKER AS FLOATING LOADING DOCK

Mexico City EXCELSIOR in Spanish 30 May 80 pp 1-A, 12-A

[Text] There entered into service yesterday at the Campeche well 70 km off-shore from the city of Carmen, Campeche, a deep draught tanker which will store part of the crude oil produced at the Cantarell complex and which will make it possible to load tankers in the open sea at the location where production takes place.

Under this system planned entirely by Mexican technicians of the Subdirector-ate of Mexican Petroleum Exploitation and used in our country for the first time, the possibility of handling steadily increasing production in the area will be boosted from 600,000 to 900,000 barrels a day with the consequent saving in crude oil transportation and loading.

The tanker is equipped with separation and pumping facilities capable of handling 300,000 barrels a day, which will no longer have to be shipped to the port of Pajaritos, Veracruz, for the purpose of storing and loading operations.

The tanker will remain moored at the side of a buoy connected to the pipeline which runs from the Akal "C" production platform to Dos Bocas, Tabasco, and Pajaritos, and will serve as a temporary tank with a total storage capacity of 1 million barrels of oil. Every day it will transfer 300,000 barrels to tankers which will transport the crude oil to Curacao, Dutch West Indies.

As was reported at the time, PEMEX [Mexican Petroleum] rented space for storage, crude oil handling services, and port installations at the Curacao terminal while the loading terminal of Cayo de Arcas is being completed at sea, 150 km from the coast of Campeche in order to supply oil products to the Latin American region.

The yield of 18 wells in the Cantarell area is moved to land by means of an underwater pipeline 36 inches in diameter and 165 km long from the Akal "C" platform to Dos Bocas, Tabasco. This pipeline has a maximum carrying capacity of 700,000 barrels of crude oil a day, a figure which will soon be increased because of the fact that the production projections for 1980 in the offshore Gulf of Campeche area were exceeded by the greater volumes of hydrocarbons obtained.



because of this the construction of a parallel pipeline was started. It is of the same dimensions as the previous one and can enter into service when its installation is completed at the end of August 1980.

However, in order not to delay the planned production which is slated for export to the extent of more than 50 percent and given that it is not possible in the short run to improvise new crude oil transportation facilities to the storage tanks of the coast, PEMEX decided to use the described alternative system which has no precedent in Mexico and which, considering the difficulties involved, represents notable technological progress achieved by Mexican oil experts and technicians.

The supply of crude oil from the pipeline to the moored tanker is effected at a point located 18 km from the Akal "C" platform. The crude oil, which comes in regulated flow from the Abkatun platform, moves to a buoy and from there to the tanker.

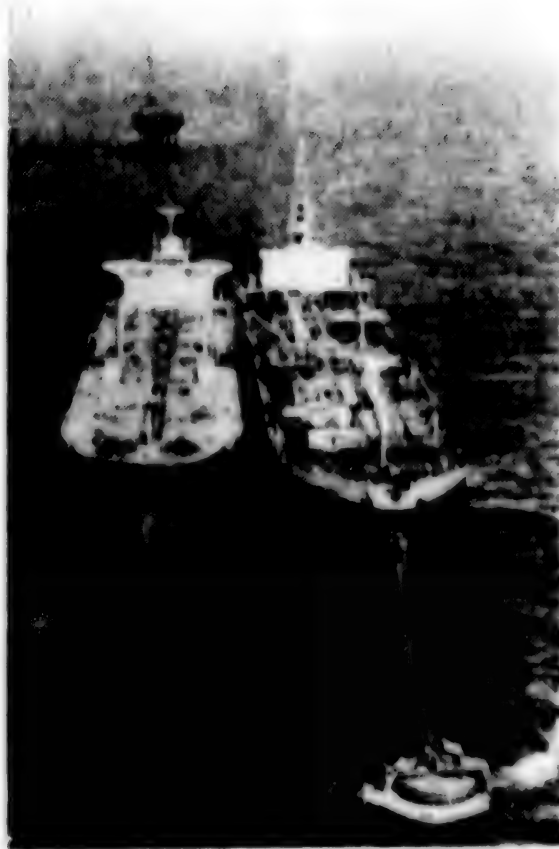
In the latter the flow of oil enters the separation system installed on board where the gas which it still holds after undergoing two stages of separation at the production platforms is captured. This gas is compressed to 3 kg/square cm and is moved through the buoy to a flare located 1,245 meters from the latter after the recuperation of part of its liquid content. Throughout the process the strictest security standards are applied.

The oil, separated on board the moored tanker, circulates through coolers and is deposited in the storage compartments or is pumped directly to other tankers waiting to be loaded.

It is considered that this method, because of its operational flexibility and versatility, was the appropriate solution to overcome in minimum time the lack of transportation facilities for offshore crude.

The Gulf of Campeche, as is known, is considered one of the most important oil-bearing regions in the world given that, as was noted, with no more than 18 wells in production, 600,000 barrels of petroleum a day are extracted as well as 250 million cubic feet of gas a day. The deposits of the zone consist of very deep layers of rock of great permeability saturated with oil.

Yesterday the loading of the tanker "Pageantry" with a capacity of 600,000 barrels of crude was begun for transporting the oil to Curacao. Two other tankers are located in the immediate vicinity waiting to be loaded in turn.



The moored tanker of PEMEX (right) effects the operation of loading crude oil on the oceangoing tanker (left) tied up alongside the former. In front it is possible to see the buoy which connects the moored tanker with the pipeline originating from the Akal "C" production platform. This system makes it possible to load tankers in the open sea in the same area where production of the Campeche wells takes place and to adequately handle the increasing transported volume of offshore crude. In the background it is possible to see one of the oil-producing platforms in the area.

2662

CSO: 3010

PRI TO FINANCE SOVIET-DESIGNED TRACTOR MADE BY SIDENA

Mexico City METROPOLI (supplement to EL DIA) in Spanish 1 Jun 80 p 3

[Article by Eduardo Macias: "SIDENA Tractors Inexpensive for Agricultural Producers"]

[Text] As part of a support program for the Mexican Food System, the PRI [Institutional Revolutionary Party] of the Federal District introduced yesterday to the peasants of Xochimilco the SIDENA [National Iron and Steel Company] T-25 tractor produced by the semistate enterprise, the National Iron and Steel Company, and which can be bought at prices very much lower than other tractors of its type found on the market.

Jose Luis Alonzo Sandoval, president of the capital's PRI, following the demonstration of the agricultural equipment, noted that the peasants had been obliged to use machinery and technology making it necessary for Mexico to spend millions upon millions of pesos for that purpose.

Now, Alonzo Sandoval continued, the PRI is trying to place at the service of the peasants adequate equipment at a fair price making it possible for the Alliance for Production, initiated by President Jose Lopez-Portillo, to progress.

He indicated that the price of the SIDENA T-25 tractor will be 62,000 pesos while its implements and accessories will cost 30,000 pesos (harrow, plow, sower, fertilizing device, fumigator, points, and leveler), which on the whole is much less than what a compact automobile costs.

These tractors, of Soviet patent but manufactured in Mexico, can be offered at a low price because they do not have to cover the cost of technology, Alonzo Sandoval added.

The way in which the peasants will be able to acquire the equipment, the president of Mexico City's PRI said, will be on a cash basis or, failing that, through low-interest-bearing credits which the PRI has already arranged.

Similarly, he indicated, the purchasers will be provided with training courses and while they decide whether this equipment is suitable for them or not they will be able to use it freely without any commitment during the time that they may deem prudent.

Alonzo Sandoval added that the PRI of the capital has been criticized by the workers for encouraging the sale of chickens and now of tractors.

"It would be very easy," he pointed out, "for us to continue to rest on weekends at home and not to engage in any kind of promotional activity. However, economic and social conditions mandate changing our policy and we are doing this now, supporting with deeds the possible alternatives to solve our country's serious problems."

Finally, he added that the peasants are changing their mentality and keeping up with the times. "Previously," he noted "they rejected the benefits of education and social progress. Now they demand the integral realization of the benefits of agrarian reform," he concluded.

Attending the demonstration, besides the peasants of the locality and technicians of SIDENA, were the political delegate Cresencio Perez Gorduno; Dolores Olmeda, president of the League of Agrarian Communities; deputy Marces Medina Rios; Senator Gonzalez Aguado; and representatives of the SRA [Secretariat of Agrarian Reform] and SARH [Secretariat of Agriculture and Water Resources].



The peasants of Xochimilco will be able to test the SIDENA T-25 tractor which the PRI of the Federal District is promoting on account of its high productivity and low cost. The tractor is manufactured in Mexico on the basis of a Soviet patent (Foto Mayo).

## OFFICIAL BANK LOANING INTEREST RATES

Reference: THE ECONOMIST in Spanish 1 Jun 58 pp 4-5, 52-3

(Article by Luis de Cervantes: "Further Drops in Yields For 3- to 6-Month Deposits" Ordered by the Bank of Mexico)

(cont.) Beginning tomorrow individuals who deposit their money in banks for term of from 3 to 6 months will see a drop in their return of from 1.5 to 1 percent. With the agreements expressed in wet days the drop in the interest rate will be from 1.75 to 1.25 percent compared to last week, according to information from the AMB (Association of Banks of Mexico).

For corporations the drop in interest rate is less for this kind of deposit. While for long-term deposits the BM (Bank of Mexico) maintains the same rates of return. Neither will there be a change in the margin rates applicable to loans to firms and individuals, which run from 12 to 24 percent per year.

From 1 Jun 58 new rates will be applied to new term deposits opened in the institutions of the Mexican banking system. Compared to last week's rates, the new rates will evidence the following changes:

For deposits of from 30 to 75 days made by individuals, the net rate will drop from 10.5 to 10 percent and on those made by corporations from 10.9 to 10.7 percent gross rate.

For terms of from 90 to 175 days, the interest rate for individuals will drop from 10.5 to 10.2 percent net rate and for corporations from 10.9 to 10.2 percent gross rate.

For deposits of from 180 to 375 days, for individuals the net rate will drop from 10.5 to 10.2 percent and for corporations from 11.350 (as published) to 10.750 percent gross rate.

On similar rates of fixed-term deposits of one year or more, which is 12 percent net, and the rate for deposits not exceeding 2 years, which is 13 percent, is being maintained for both individuals and corporations.

On Thursday, September 15, subject to all special provisions, the Bank of Mexico ordered the following rates for the week beginning Tuesday, September 15, and also compared to those of last week:

On 1 day of the week for individuals the net interest rate drops from 14.75 to 14.50 percent and for corporations from 15.45 to 15.2 percent gross rate.

On 2 day of the week for individuals drops from 15.35 to 15 percent for individuals and for corporations (figures omitted in source) gross rate.

On 3 day of the week for individuals the net rate drops from 17 to 16 percent and the rate continues unchanged for corporations at 18 percent gross rate.

On 4 day of the week the rate for individuals drops from 20.25 to 19 percent and for corporations the gross rate slides from 20.85 to 19.7 percent.

On Friday deposits subject to withdrawal on set days the Bank of Mexico applies a 10 percent exempt from income tax since there was a drop in the gross rates.

Second, the actual gross rate in all cases involving individual accounts must be 10 percent.

Third, 10 percent is the exempt from income tax which is half rate of 20 percent for individuals.

Therefore, as we reported yesterday, stem from the reduction of the interest rate in the foreign capital markets, especially the United States, even though it is admitted that Mexican interest rates are still above those applicable in the United States to remain competitive.



# SPECIAL TRIBUNAL HEAD DISCUSSES REVOLUTIONARY COURTS

Managua BARRICADA in Spanish 31 May 80 pp 1, 12

[BARRICADA Interview with Mario Mejia, general coordinator of the Special Tribunals of Nicaragua, date and place not given]

[Text] Mario Mejia, general coordinator of the Special Tribunals, says that it is the people who are now seeing out justice now that the judges are no longer officials who are loyally accountable to a corrupt dictatorship; the tribunals are accountable for upholding the interests of those whom they represent, the people's sector.

Comrade Mejia spoke to us about the performance record of the revolutionary courts.

Question: The special tribunals began to function more than 5 months ago --from a political point of view, what is your opinion of their progress?

Answer: The principle that has been followed, from the time the Special Tribunals were created to involve our people in the administration of justice, is that it should be the people themselves who judge those offenders who committed crimes against them for more than 45 years.

Previously the officials, especially those in the judicial branch, were designated "by the finger of the dictator" and the only condition was their unconditional and absolute loyalty to the dictator. Today, that unconditional loyalty is not toward a single person but toward our people, as children of our people.

Question: At a judicial level, what types of problems have arisen in your opinion?

Answer: It is understood that our revolution has a uniqueness reflected in the very manner in which our legal proceedings are carried out, within the widest judicial framework which we inherited from the dictatorship.

We are faced with the concrete realities of the Special Tribunals, with the lack of experience, the lack of practice and, on the other hand, the

great willingness, the honesty of the members who joined the tribunals, appointed by the government junta.

These are inexperienced comrades who had never served in this capacity, much less within the judicial framework of our revolution. That lack of experience and of the minimal knowledge of judicial technicalities contemplated by our basic law has been overcome during the course of the trials themselves, and we can even assert that after 5 months the comrades handle very well the revolutionary judicial technicalities which the courts deal with in their operations.

Question: Comrade Mejia, what comment is merited on the fact that the proceedings have gone ahead at a satisfactory pace?

Answer: That has its explanation in the very origin of the tribunals. In practice, when the dictatorship was dismantled, we started at less than zero, and we knew in advance that the pace would increase. Now, 5 months after the creation of the tribunals we can assert that they are already getting a rather rapid pace. There is another explanation for this, and it is that we are living through a revolution and that the conditions under which we operated yesterday are totally different today.

We have the capacity to hear 18 cases a day, as has been seen during the last few months.

Question: How many former followers have been tried?

Answer: A total of 184 have been tried and 330 former National Guardsmen have been convicted.

Question: Has a change in the structure of the tribunals been considered on the basis of the fact that during the last few weeks an average of 15 cases have come in daily?

Answer: We are developing our operations within the framework of a revolution. One of the demands of the revolution require us to change the structure of the tribunals or to broaden them in some way in order to respond to the situation we face, we will do so.

Our deadline for finishing this task is 16 to 17 months. We are now in a position to say that we will be able to finish it in that time, probably by April 1984.

Question: Regarding human rights in Nicaragua, what is the significance of the recent Tribunal?

Answer: The courts act under the humanitarian principle which our government, the FSLN (Sandinista National Liberation Front), upheld during the struggle against the dictatorship, guaranteeing the lives of the guards.

Among the families of the Somoza followers, it can be seen how this works out in practice; they are treated without discrimination in the schools and hospitals.

Regarding justice, within the framework of respect for the noble laws of humanity, it is planned that this same principle will be observed, granting all these guarantees to the very Somoza criminals who, during the period of the dictatorship, were the spearhead of its crimes, of its repression, of every denial of the most elementary rights to our people.

9704

CSO: 3010

PDC CONVENTION SUPPORTS COUNCIL OF STATE

Managua LA PRENSA in Spanish 12 Jun 80 p 9

[Text] The Democratic Conservative Party released the following statement at the close of its convention:

The Arturo Cruz Sanchez/Jose Maria Fletes National Convention of the Democratic Conservative Party of Nicaragua, meeting in the Cabrera Theater in Managua, at 1000 hours on 8 June 1980 in Extraordinary Session which was duly called and having the legal quorum established under its statutes declared that:

Whereas:

The government program announced at Pantarenas as a binding commitment to the people of Nicaragua and to the other peoples of America has not been carried out,

Whereas:

Although the minimum conditions set at our party's previous convention have not been met and the offers made have been nothing more than promises which do not satisfy the democratic aspirations of the great majority;

In the face of the danger which threatens to deflect our revolutionary process toward totalitarianism, the Democratic Conservative Party, loyal to its principles and to its tradition of combating any threat of deviation from its republican nature, holds the opinion that:

Today more than ever, it is under the obligation to occupy and maintain every position of civic struggle, from whatever quarter it may arise, in order to insure that this revolutionary process, the fruit of the sacrifice of all Nicaraguans, should be conducted along lines that are in accord with our people's feelings and way of life.

Be it resolved:

1. In order the representatives elected at the national convention of 14 September 1979 to enter the Council of State, following the orders of

the National Executive Council, which will be able to appraise, according to circumstances, the desirability of the permanence of those representatives in that body.

II. In order to maintain a constant and necessary communication between the leadership of the party and its delegates in the Council of State it will be the obligation of the delegates to attend all meetings of the National Executive Council in order to insure, in this time of change, the continuity of the party positions.

III. That the national convention should meet within a period of 4 months to analyze policies in general and in particular those of our Democratic Conservative Party of Nicaragua.

Drawn up in the Assembly Hall of the National Convention of the Democratic Conservative Party of Nicaragua on 8 July 1980. God Order Justice

Democratic Conservative Party of Nicaragua

National Executive Council

Clemente Guido,  
National Coordinator

Adolfo Calero P.,  
Political Secretary

7104  
CDD: 9010

FOUR POSITIONS ON COMMUNISM DESCRIBED

Managua BARRICADA in Spanish 13 Jun 80 p 3

(Article by Norma Lacayo: "On Anticommunism")

(Text) With regard to the problem of communism and anticommunism we can discern four positions which are quite different, to wit:

1. Those who are in favor of communism, that is, in favor of a society where the economic and political development of a society eliminates social inequalities and all of their consequences.

2. Those who are indifferent to the problem and do not take a position either for or against either because they are not aware of the problem or because they are not interested in it.

3. Those who prefer a society where inequalities continue to exist either because they consider their elimination utopian or because they have an ideological or economic interest in continuing to live under the capitalist system. Among these, some are very active and devote themselves to pointing out the real or baseless errors of the socialist countries--countries which are called, through ignorance or prejudice, communist countries.

In these three cases there is no comment to be made, each one being within his own rights.

4. Finally, there are those who take a militant position in favor of anticommunism and against what they call communists.

Here we find governments in power or ideologists in the opposition whose strategy is as follows:

a) To create the image of communism as a scapegoat, responsible for all evils, the demons of modern times.

b) To show communists as individuals who oppose the most sacred and cherished values of the people.



Once that image is created, they present it as the principal danger or the immediate danger which threatens our peace and our way of life.

c) To call communist all those persons or governments who oppose their privileges or their individual interests.

d) The objective of this type of anticommunism, on a full-time basis, is to unleash a discrediting campaign against revolutions and revolutionaries. It uses naivete, ignorance, prejudice, passions and the unconscious values of the individual to denigrate everything that opposes their private interests and to justify all their acts and aspirations because they are struggling against "evil." There are cases in which this struggle is turned into a pretext to justify criminal acts.

It was to this anticommunism that Commander Borge referred in his speech denouncing the assassins of the teachers of reading and writing and as examples of this type of anticommunist he cited Somoza, Duvalier, Hitler and Pinochet and all those assassins of humanity who, exploiting the image that they themselves had created, devote themselves to committing the worst villainies.

I think that it is one thing to have an adverse political opinion toward any government or political system. This is legitimate. It is another thing to call anything they want to "communist" and to base their political campaign on this type of anticommunism, hoping that our society will allow them to exorcise the demon they themselves created.

Insofar as criminals are concerned--and no one doubts that Hitler and Somoza were criminals--I believe that we are entitled to call them criminals, no matter what they called themselves: national-socialists or liberals.

In regard to our revolution, there is every right to defend it against all counterrevolutionaries, and the punishment for those who assassinate teachers of reading and writing cannot be withheld because of the fact that that crime is motivated by a campaign against members of the "communist" brigades or against the Sandinist "communists."

9204

CSO: 3010

## 'LA TRIBUNA' VIEWS ELECTRIFICATION OF RAILROAD

77/81811 Asuncion LA TRIBUNA in Spanish 27 May 80 p 5

[Text] The report which the Italian firm Electroconsult has prepared on the bids for the modernization of the Carlos Antonio Lopez Railroad [FCCAL] has dashed a bucket of cold water on the proposals of vast national sectors for the maximum utilization of Paraguay's share of the power which will be generated by the binational hydroelectric dams. In fact, the report states that the electrification of the current railroad will not be cost effective in view of the small number of passengers it will be able to carry in the foreseeable future.

The report was entrusted to a consulting firm which is connected with the National Power Administration [ANDE] and it is suggestive that every time this firm wants to justify its controversial statements, it seeks ANDE's support. However, this does not prevent the report from laying bare some of the shortcomings and inconsistencies of the entire project, such as the lack of a general government railroad plan. This fact had already become evident during a debate over the railroad link with Brazil which was agreed upon during President Figueiredo's recent visit. It is also proved by the fact that the FCCAL has asked the 10 bidders for the project to modernize the current railroad to prepare plans in this regard. This request has created a vicious circle because the officials have been unable to provide data for such plans.

The hiring of an "independent" consulting firm to draw up these plans sought to overcome, in a fashion, the abovementioned shortcomings. However, the initial objective was much less far-reaching than the final result of the studies, because it merely sought to "evaluate, together with the railroad authorities, the bids presented by the various financial consortiums."

The main questions we must ask in view of the conclusions of the report deal with the quantitative and qualitative prospects of Paraguayan development and the location of these prospects within the national territory. The small volume of freight currently carried by the railroad has undoubtedly been the result of the obsolescence of this railroad and its technological stagnation, which has in turn favored the development of highway

transport. The swift development of the latter has led to large investments in a highway network and to the "explosive growth" of automotive transport based on the availability of relatively inexpensive fuels. Although investments in this field started approximately 2 decades ago, they began to show profit and to promote the development of formerly backward and isolated areas only during the last decade.

In sum, the fact is that investments in means of communication have multiplying and reproductive effects which are extremely difficult to assess in advance. This means that the initial decision is usually based on political rather than economic considerations. In any case, we could again find out that a railroad powered by oil energy could prove to be counterproductive and uneconomical because, if nothing else, recent economic history has taught us that the experts cannot hope to predict the variations in the price of fuels with any degree of accuracy.

END

COMMUNIST PARTY LEADER ASSAILS STROESSNER REGIME

AC261225 East Berlin NEUES DEUTSCHLAND in German 24 Jun 80 p 6

[Article by Jochen Preussler: "Paraguay--Stroessner's Dictatorship in the Crisis--Press Talk with Alfredo Alcorta, Member of the Political Commission and Central Committee Secretary of the Paraguayan Communist Party"]

[Text] "The process of the isolation of the Stroessner regime in Paraguay is further progressing. The political and the economic crises are becoming worse. At the same time, the democratic forces are stepping up their efforts to topple the dictatorship, which has been in power since 1954, by joint action and to restore democratic conditions in our country." This was stated by Alfredo Alcorta, member of the Political Commission and Central Committee secretary of the Paraguayan Communist Party (PCP) last weekend at a press conference in Berlin.

He again appealed to the world public to demand the liberation of all political prisoners from the government in Asuncion and to give information at long last on the fate of Miguel Angel Soler, PCP Central Committee secretary who has been imprisoned since 1975, and on that of other prominent prisoners. Alfredo Lacorta underlined that witnesses statements had unequivocally denied Stroessner's outrageous lie according to which Soler and the other leading PCP functionaries had supposedly left the country.

Solidarity is vital for those persecuted by the Stroessner regime" underlined our interlocutor, who had spent almost 20 years in the dungeons of this "senior" dictatorship of Latin America together with Antonio Maidana, PCP Central Committee first secretary, and was liberated in 1978. "It is thanks to this solidarity that 393 prisoners had to be released by Stroessner during the last 2 years."

Alfredo Lacorta expounded on the economic and political situation of this country inhabited by 3 million people and measuring 407,000 square kilometers, which is among the poorest of the subcontinent.

"Stroessner today is by no means a political corpse," the PCP Central Committee secretary stated. "He has made himself dictator for life; the elections scheduled for 1983 are a mere 'formality.' The fact that he has been able to maintain himself so long despite the isolation in his own country is due to the support by the strong reactionary forces within and outside the country. Among them are the corrupt military members, whose leading cadres with only a few exceptions have received their training in the United States and who suppress any opposition by the use of arms. Among them are the Latifundium owners who own 75 percent of the arable land but only cultivate part of it while the masses of peasants make a meager living or starve on farms of between 1 to 5 hectares. But primarily this support lies in the economic and military aid granted by imperialism to the regime. Since 1954, \$2.2 billion of so-called foreign aid have flowed into Paraguay. Foreign companies, especially those from the United States, are exploiting the natural riches for a mere song and are purchasing gigantic Latifundiums."

Alfredo Alcorta said that the lack of unity among the democratic forces has surely had negative effects so far. "But there are strong forces now who urge for unity of action among all opponents of the dictatorship. The people's resistance is growing." The PCP secretary quoted as an example the opposition within the national bourgeoisie against the sell-out of the country, the struggle of the trade unions for their own students' movement, the occupation of land by the peasants, who no longer accept that valuable soil lies untiled for years while people next to it die of starvation.

Alcorta said that the founding some time ago of the "democratic agreement" alliance by four bourgeois opposition parties was very encouraging. This alliance comprises the Authentic Radical-Liberal Party, the party of the Revolutionary Febristas, the Christian Democratic Party and the National People's Movement [names of parties as published]. The communists support the 16-point platform of this "democratic agreement," especially its demand for a termination of the emergency state, a general amnesty for all political prisoners, the rescinding of Law 294, which among other things prohibits the Communist Party, and for a democratic development in Paraguay.

In conclusion Alfredo Alcorta said of PCP-SED relations: "We have close and fraternal relations and agree fully in our assessment of the international situation. We harbor feelings of friendship and affinity for the SED. We want to thank the GDR people very cordially for their solidarity with our struggle."

END

'PATRIA' SEES 'ABUSE OF POWER' AS WORLDWIDE PHENOMENON

PY241759 Asuncion PATRIA in Spanish 23 Jun 80 p 24

[Commentary by "Alex": "Justified Reaction"]

[Text] The presence of some foreign diplomats at the ceremony in which a book was launched which is offensive to the dignity of the Republic of Paraguay, its government and its national institutions has caused a justified and, of course, negative reaction in various circles. The book has been written by two U.S. citizens who gave it the suggestive and offensive title of "Abuse of Power [mbarete]: Paraguay's Supreme Law."

The presence of those diplomats was improper because starting with the title of the book it offers nothing but a pamphleteer's partial and sectarian view of reality in Paraguay and it follows the political line appropriate for opponents without legal recognition or with a distorted legal status such as that of the commission headed by Mrs Coca de Lara Castro. A book which, in its general content, only depicts a "method" of constant violations of the republic's constitution which is indeed, by all accounts, the supreme law of Paraguay.

Of course, the two yankee authors have all the right in the world to write whatever they want to about Paraguay, using the outlines of stories that are given them and placing their pens at the service of the interests that laud them; as in the same way Paraguayan writers (although none of them have fallen so low) have the right to write about the delights of racial discrimination, the Ku Klux Klan, the lynchings, the Negro ghettos and the drug-addicted youth of the great northern country.

But, it is something else again when such literary outbursts are launched with a diplomatic blessing. It corrupts the essence of the word "diplomacy," and it goes without saying that it is absolutely out of place in diplomatic functions--there being no argument in this case that the freedom of two yankee citizens in expressing their opinion is above the right of respecting an entire country and its legitimately established authorities.



Of course "abuse of power" exists, but it is not a Paraguayan phenomenon. Abuse of power is when: six white policemen beat a Negro to death in Miami; the Russians maul Afghanistan; and when Castro sends troops to enslave young nations. Abuse of power was used by those who plotted the assassinations of Kennedy and Martin King and by those who sacked Young from his UN post. And regarding the abuse of power of a native nature, we ask whether the authors of this book have read Rafael Barret, who has told the story of the bloody way of life that was heaped upon the exploited male plantation workers [mensu] by the feudal gentlemen of years gone by, their bodyguards [capangas] and their hired murders.

To attribute to Paraguay, the Paraguay of today, a vice that is universal when referring to the addiction to abuse as a resource of government and turning it into a "supreme law," is not only a grandiose lie, but also a cheap pamphleteering device in order to provide the world conspiracy against our country with an untruthful and degrading catechism.

Therefore the surprise when observing that "diplomacy" has associated itself with such an attack against the decorum and dignity of Paraguay, a country that maintains its international relations with other countries with the understanding that they will contribute toward the good relations and the mutual and ever-improving knowledge between peoples and governments.

CSO: 3010

MINISTRY DEMANDS AMENDS FOR PUBLISHED 'SLANDER'

PA301354 Lima EL COMERCIO in Spanish 25 Jun 80 p 1

[Text] Official Communique No 3

1. The newspaper MARKA, number 43, of 23 June 1980 published false and tendentious information concerning the civilian and military personnel of the War Ministry. This information seriously hurts the prestige, honor and decorum of the institution and its members.
2. Therefore, the war minister has decided that the corresponding legal actions be taken to protect the honor and prestige of the institution.

[signed] War Ministry  
Public Relations Officer

Communique

In response to information published by the newspaper MARKA on 23 June concerning attacks, abuses and neglect committed against the civilian personnel of the War Ministry, the board of directors of the War Ministry's association of employees, notifies the public of the following:

1. It vigorously rejects the information published by the aforementioned paper because it undermines unity, morale and discipline.
2. It demands amends for the morale and honor of the civilian personnel, especially the female personnel, for the biased slander published by the newspaper MARKA.

CSO: 3010

BRIEFS

GUERRILLAS CAPTURED IN APURE--Military intelligence units captured 10 guerrillas including Commander Acagua, in Apure State during a clash. There were no persons killed or wounded. The guerrillas are now under military jurisdiction in San Cristobal. They will be tried for rebellion. It was said in government circles that the possibility that other guerrilla groups are operating in Apure and in other parts of the country has been discarded. The arrest of these guerrillas practically indicates that these groups have disappeared in Venezuela. [Text] [PA302344 Caracas Radio Continente Network in Spanish 2100 GMT 30 Jun 80]

GUERRILLAS THREATEN POLITICAL KIDNAPPINGS--Five heavily armed men robbed the Italo-Venezuelan Bank in La Urbina today and seized an estimated 200,000 bolivares. The attackers had their faces covered with [word indistinct]. Brandishing pistols, they covered the president and vice president of the bank and the other persons present, took the money and escaped in a blue station wagon. The Petare Judicial Technical Policy began an investigation to try to obtain clues leading to the capture of the robbers. An anonymous person phoned Radio Reloj Continente to announce that his group had just robbed the bank in La Urbina. The caller identified himself as a guerrilla from the self-styled Armed Forces of National Liberation [FALN]. The caller said the attack was to protest against the national government, that more bank robberies would be carried out and that they were going to kidnap important political leaders. [Words indistinct] that the FALN had not disappeared and that they had the weapons to continue their struggle. [Text] [PA081345 Caracas Radio Continente Network in Spanish 2100 GMT 7 Jul 80]

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Oct. 1, 1980